



Hillier Parker

PROPERTY ADVISERS

London - West End & City, Edinburgh, Paris, Amsterdam, Sydney, Melbourne, Brisbane

NEWS SUMMARY

GENERAL

Guerilla battle flares in Beirut

Rival Palestinian groups fought with machine guns and grenades for 11 hours in refugee camps in the south-west of Beirut yesterday. Lebanese security forces pat the casualties at 12 guerrillas killed and 20 wounded, with several civilians also thought to have been wounded.

The fighting between the Syrian-backed Saiga guerrillas and members of the radical, Iraq-favoured "Resistance Front" broke out as the Lebanese and the Palestine Liberation Organisation met for talks on ending the fighting in south Lebanon.

Israel package

In Israel a drastic belt-tightening economic package has been presented by the new Likud Government. It raises prices of basic foodstuffs, fuel, water, gas, public transport and electricity by an average of 25 per cent. The Government Budget—prepared by the previous Labour administration—is also cut by £160m.—about 2 per cent. Page 4

Liberals wary over pact

The Government's failure to secure a firm deal with the unions on pay is expected to result in the Liberals insisting that a "break" clause be inserted in the next stage of the Job/Job pact. A majority of the party's 12 MPs is believed to be unwilling to commit the party for a full session because of the danger of a pay explosion. Back Page

Big search for Belfast children

Police and the army were last night searching for a nine-year-old child from the strongly Republican Andersonstown area of Belfast which vanished while heading south for a holiday. They failed to rendezvous with another group of youngsters at Dublin Airport and were last seen heading for the border with the Republic. There is no report of them crossing, however.

Runaway editor contacts Scargill

Mr. Maurice Jones, editor of Yorkshire Miner, says he fled to East Germany with his family because of police threats against his wife and two-year-old daughter. The allegation is contained in a letter to Mr. Arthur Scargill, the Yorkshire miners' leader, in which Mr. Jones claims he was also warned about "politicising" the miners through his newspaper. Page 12

Drugs stolen from police

Scotland Yard's A10 complaints investigation team has been called in to discover how 800 lbs of cannabis, valued at £400,000, was stolen from a police warehouse in Wapping, East London, last night when Drugs Squad officers raided a house in the premises. Two police officers have been suspended.

Briefly...

wo teenage youths walking home along the A20 in Kent were killed in an accident involving a van near Charing. A third escaped unhurt.

us and underground fares in London went up by an average 50 per cent, yesterday. The minimum bus fare is now 7p.

on Revie, who resigned as England manager last week, has signed a four-year contract to manage the United Arab Emirates soccer team.

remind Bond weekly prize of 30,000 was won by bond owner 8X5 S89192. The owner resides in Edinburgh.

BUSINESS

Airline to spend £2bn. on fleet

BRITISH Airways expects to spend £2bn. or more by 1990 on progressively replacing its existing fleet of more than 200 aircraft.

It intends to top up its fleet of 15 Boeing 747 Jumbo jets and 15 Lockheed TriStars and make additional purchases of helicopters. Page 5

CHRYSLER will today unveil a small hatchback model, the Sunbeam, the first of the proposed new range to be developed with the help of Government funds. It will enter production at the Linwood plant in Scotland and is due for the market in October.

The Sunbeam is launched against a background of continuing losses. Chrysler is expected to publish figures which show the next few weeks showing a deficit of £4m. in the second quarter. Back page

AMERICAN Express, the multi-national credit and charge card company, has withdrawn an extended credit facility on offer to U.K. resident card holders. The facility applied to air travel tickets. Page 8

BRITISH Insurance Association is providing a grant to the University College of North Wales, Bangor to enable the teaching of insurance and risk management to be included in the new BA course in banking, insurance and finance. Page 8

COMMERCIAL Union will sell the office block in Boston, which houses its U.S. headquarters, for \$77m. (about £44.8m.) in Prudential Insurance. Page 17

North Sea oil boosts exports

EXPORTS of North Sea oil to West Germany have provided much of the impetus for this year's strong increase in Britain's sales there. Figures from the Federal Statistical Office show that in the first four months of 1977 Britain's total exports to West Germany were worth £149.5m. (DM2,666m.), in the same period last year to DM3,184m. (£808.5m.).

DRESDNER BANK has co-ordinated a medium-term (£45m.) credit facility for Deminex to help fund the development of the North Sea Thistle Field. Page 5

U.S. agency investigating the explosion which destroyed the pumping station on the trans-Alaska pipeline just over a week ago, has suggested that pipeline employees failed to follow written procedures before the disaster.

National Transportation Safety Board says that communications between people engaged in starting up the pipeline had broken down. Page 4

Housing land shortage fear

HOUSE-BUILDERS Federation believes that a critical shortage of housing land seems inevitable in the next 12 months, unless Government policies are quickly changed. In a report published today, the Federation says that the shortage could lead to a sharp cut in the house building programme or help fuel another major round of house price inflation. Page 6

MR. MAX MAODEN, Labour MP for Sowerby, is demanding that British brewers should make refunds to beer drinkers if the forthcoming Price Commission Report showed that they had made excessive profits. Page 8

STOCK Exchange has set up a committee to investigate dealings in shares of at least eight companies where it is considered there has been unusual price activity. Back Page

COMPANIES

ROPNER HOLDINGS pre-tax profits may show some decline, the chairman says in his annual statement. Page 12

BOOKER McCONNELL is to increase its contribution of 10p to the voluntary grocery price freeze by taking over three of the wholesale grocery businesses in the Oriel Foods Group. Page 12

Post Office should be two corporations report recommends

BY JOHN LLOYD, INDUSTRIAL STAFF

The Report of the Post Office Review Committee, to be published on Wednesday, is certain to cause considerable embarrassment in Government circles and provoke anger within the Post Office's trade unions.

The report is understood to be strongly opposed to workers on the Post Office Board, a plan to which the Government and the unions are wholly committed, and which is scheduled to come into operation later this year.

The Committee (known as the Carter Committee after its chairman, Mr. Charles Carter, Vice-Chancellor of Lancaster University) is understood to recommend:

- The splitting of the Post Office into two separate corporations—"The Post Office," which will handle mail, and the "Telecommunications Authority."
- The creation of a Council on Post Office and Telecommunications Affairs to advise the Government on the work of both corporations and the quality of their service.
- The delaying of plans to introduce worker directors on the Board for an indefinite period.
- The adoption of a much clearer and more flexible pricing policy aimed at attracting a larger volume of business.
- The retention of two daily postal deliveries.
- The replacement of first and second class mail by "priority" and "standard" classifications.
- The integration of parcels as closely as possible with letter traffic.
- The possibility of abandoning the carriage of parcels over 3 kilograms if the parcels ser-

vice cannot be made to cover its direct costs.

- The possibility of buying new exchange equipment of the most modern type from abroad, where British manufacturers are unable to supply it.
- The rapid adoption of the most modern exchange equipment—known as System X.
- The adoption of comparative efficiency indicators based on the best practice of overseas postal and telecommunications services.
- A more aggressive marketing policy, and greater awareness of the importance of public relations.

Unifying

The major recommendation of the Carter Committee is the proposal to split the two major functions of the Post Office, and to have, as the only unifying link between them, the purely advisory Council on Post Office and Telecommunications Affairs.

It is understood that the latter body will be a much strengthened version of the Post Office Users' National Council, the Government-appointed monitoring body, and that Lord Peddie, its chairman, will become chairman of the new council.

The argument for separating the postal from the telecommunications side has been accepted by most circles within the Post Office for some time. It is felt

Mechanised mail sorting 'may lose £118m.'

By Kevin Done, Industrial Staff

THE POST OFFICE'S letter mechanisation programme is a "financial disaster" that could make losses of up to £118m. over the life of the project, according to previously unpublished evidence given to the Post Office Review Committee.

The results of the analysis carried out by the Mail Users' Association, a consumer body representing large users of the postal service, contrast sharply with earlier financial estimates prepared by the Post Office.

The corporation still maintains that letter mechanisation, which began in earnest in the late 1960s, could produce savings of up to £50m. over the 20 years to 1993.

But in evidence that has received particularly close attention from the Post Office Review Committee, the association says that it is unlikely that the letter mechanisation programme will ever cover its cost.

"If it is judged from the mid-1960s it is financial disaster," says the report. It does not suggest that the scheme should be scrapped, however, as the costs of abandoning mechanisation at such an advanced stage in the programme would be higher than the costs of continuing it.

The postal business appears to be locked into the scheme," it says.

But the Association accuses the Post Office of having been too prone to making optimistic assumptions about the project, which in practice is pushing up the fixed cost of the service during a period when the volume of traffic it handles has been steadily falling.

In costing the scheme the Post Office had made "major blunders," it claims. The original assumptions were too optimistic and the project had taken too long to implement.

The letter mechanisation programme was frozen in 1972 by union opposition and only restarted three years later. The association accuses the corporation of then buying in mechanisation at too high a price and suggests the money would have been better spent buying staff agreement to a work and traffic measurement scheme.

Even if such a scheme had brought only a slight improvement in the alignment of staff to traffic it would have yielded far better returns than mechanisation. There had been a fall in productivity of about 12 per cent in the postal service since 1970.

Much of this thinking now appears to have been accepted, at least privately, by the Post Office. Its latest confidential 10-year business plan for posts says there must be a sharp and continuing rise in productivity in the next decade.

Cost of mail mechanisation, Page 8

Silkin cannot oppose longer fishing ban

BY OUR FOREIGN STAFF

MR. JOHN SILKIN, Minister of Agriculture and Fisheries, is expected to risk the wrath of the British fishing industry by strongly supporting EEC Commission proposals to conserve fish stocks at a meeting of the Community's Council of Ministers that starts in Brussels today.

The proposals could mean a ban on all herring fishing in the North Sea for two more years after the unilateral British herring ban expires at the end of this year.

The prospect of such an extended ban is unlikely to be welcome to the predominantly Scottish U.K. herring fleet. But Mr. Silkin would have difficulty in opposing the Commission's proposal as it was the British Government that fought so strongly for a temporary ban this year.

One possibility is that the U.K. will suggest a compromise under which the ban would remain in force until scientific evidence showed that stocks had been sufficiently restored to allow fishing to resume.

Countries like Germany, Belgium and the Netherlands, which fiercely opposed the British ban that went into force at the beginning of this month, may finally come round to the idea of a longer ban, it is thought in Brussels.

Isolated

The new Irish Government, less than a month in office, is now isolated on this emotive issue, following last week's adverse ruling by the European Court on the previous fishery conservation measures. The court ruled that Dublin's ban on large vessels fishing within 50 miles of the Irish coast discriminated against other EEC countries.

Ireland, which is reluctantly lifting the ban today, is now in a humiliating position of having to get the Commission's herring catches, which traditionally take place in January and February.

As part of a wider package of conservation measures, the Commission has said that direct industrial fishing—fishing solely for the manufacture of animal feed or fertilisers—should not be permitted. Neither should the landing of any herring taken in the course of industrial fishing.

Mr. Silkin is likely to support these steps. He will oppose any moves which could deprive of the right to get the Commission's herring interests are threatened by over-fishing.

He also faces a tough fight on Tuesday when he tries to get New Zealand dairy farmers to agree to better prices for the butter and cheese they send to the U.K.

These prices have not changed since January 1976, and are only about half the Common Market intervention price.

Production and shipping costs have gone up in the meantime by about 24 per cent for butter, and 28 per cent for cheese, but

Editorial Comment Page 10

Decision to build Drax B: turbine order for Parsons

BY MAX WILKINSON

THE GOVERNMENT has decided that a £600m. power station at Drax, near Selby, must be ordered before it is needed and that the turbine generator part of the contract, estimated to be worth £125m., should go to C.A. Parsons, part of the Reynolds Parsons Group.

A statement on the decision is expected in the Commons today, from either Mr. Wedgwood Benn, Secretary for Energy, or Mr. Eric Varley, Secretary for Industry.

Mr. Wedgwood Benn told Mr. Glynis England, chairman of the Central Electricity Generating Board last Friday, of the Cabinet's decision to go ahead with Drax B power station.

The Board will now wait to hear the details of the Government's views in writing before taking its own decision on placing the contract. In theory, it could refuse to place the order, or insist that it goes out to open tender, but neither course is considered very likely.

However, Mr. England has

already made it clear that he does not favour the early ordering of power stations in the absence of a rationalisation of the industry to secure its long-term future.

Even if the order is placed with Parsons, the General Electric Company, which also makes turbine generators, is strongly considering putting in a competitive tender for the work.

Outline plans

The two boiler-making companies, Clarke Chapman of Gateshead and Babcock and Wilcox, have already agreed outline plans to merge their power engineering divisions.

The formula agreed is a new company with 40 per cent Babcock shareholding, 20 per cent Clarke Chapman and 30 per cent for the National Enterprise Board.

The decision to order Drax in the absence of a merger plan for the turbine generator plant of GEC and Parsons is a defeat for Mr. Eric Varley, the Industry Secretary, and his Department.

However, the Government has decided that it cannot stand aside when substantial redundancies are threatened in Newcastle and on the Clyde.

The order for turbine generators for Drax will save hundreds of jobs on Tyne-side but infuriate GEC.

It also means a complete upset of a recommendation by the Government's "Think Tank" that the power plant manufacturing industry should be rationalised before contracts were awarded.

A spokesman for Parsons said: "After all these false dawns over the past few months we will want to see this decision signed before believing it."

"But if it is true, and it looks as if it is, we are delighted."

"It provides us with the work to retain a very highly experienced and dedicated workforce. Without this we would have been forced to declare redundancies on a pretty massive scale."

Ford unions present pay claim

BY KEITH LEWIS, CITY STAFF

THE MANAGEMENT of Ford Motor Company has been presented with a heavily-researched and typically sophisticated wages claim from its trade unions, who argue that the company "can afford to meet this claim, down to the last comma, and still remain one of the most successful companies in Britain."

In what is thought to be an unprecedented move, the Ford unions, headed by Mr. Moss Evans, have turned to the City and enlisted the help of stock-brokers Phillips and Drew to advise on the Ford accounts.

Under particularly heavy fire is Ford's version of accounts adjusted from an historic cost to current cost basis. Quoting one of Phillips and Drew's main conclusions, the CCA figure of 55.6m. pre-tax after tax "seriously understates" the real profits of the year—the unions say that Ford is now so profitable that it has tried to obscure

DISPERSAL FACTORS IN NORTHAMPTON



The location of Northampton is such that it encompasses approximately 50% of British industry within a radius of 100 miles. Northampton's industrial areas are well planned with lots of woodland and give a real impression of being out in the country, although big town facilities are locally available. The fact that housing facilities were available was of utmost importance on the social side.

We have found Lodge Farm to be the ideal location for our Midlands distribution operation. Here we have pleasant surroundings and easy M1/M6 access.

Northampton is situated midway between London and Birmingham. Its position, adjacent to the M1 and close to interchanges with other major motorways, facilitates rapid distribution throughout the U.K. As some of our product is imported, the Inland Customs Depot at Northampton facilitates movement of full containers through congested ports which results in quick Customs clearance.

COME AND JOIN US!

These are just three of the firms who have taken advantage of the opportunities that Northampton offers for manufacturing, distribution and offices. The Development Corporation is here to help you, to advise on your relocation problems and make the move to Northampton easy for you and your staff.

Write to L. Austin-Crowe, Chief Estate Surveyor to Northampton Development Corporation, 2-3 Market Square, Northampton, NN1 2EN or phone 0604 34734.

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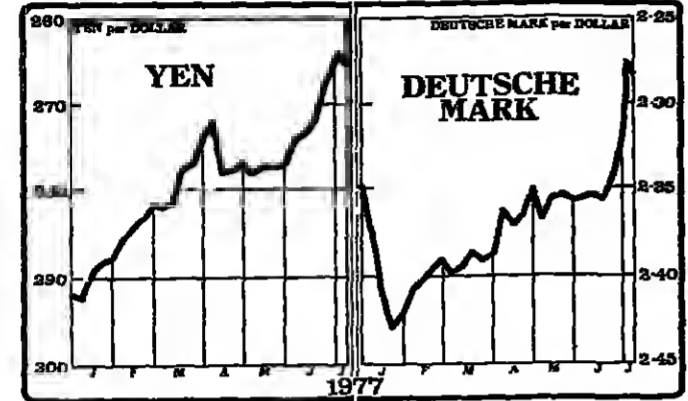
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LOMBARD

The non-problem of the dollar

BY SAMUEL BRITTON

MANY bankers and commentators cannot forgive floating exchange rates for depriving them of currency problems. The probability of the human race destroying itself or making the world unlivable within a few generations is not enough for them. Nor is a collapse of the postwar full employment experiment or the trend towards inflationary disorder, nationally and internationally. We must invent bogus problems about the exchange rate between one currency and another, problems which make sense only on the assumption that we still have fixed exchange rates.



The tendency of U.S. Treasury officials to shrivel the prospect of a \$20bn. to \$25bn. trade deficit in 1977—equivalent after allowing for invisibles to a current deficit of about \$11bn.—was entirely justified.

But it was too much to hope that they would maintain this public concern in the case of the frenetic agitations of the interventionists. Yet the "benign neglect" slogan coined in the late 1960s is still the only responsible one.

Wise men

The so-called problem of the dollar has arisen mainly as a result of actions urged by internationalists and economic wise men the world over. These people have been constantly telling us of the dangers of non-dollar countries trying to eliminate their deficits when the producers are running a current surplus of well over \$100bn. per annum.

Only recently the international soundists were arguing that the expansion of the U.S. was holding back world economic

THE WEEK IN THE COURTS

Company law inadequacy

BY JUSTINIAN

THE £89,500 golden handshake to Lord Ryder has brought out into the open once more the inadequacy of the company law in relation to the disclosure of financial transactions between senior executives and their companies.

Indeed it raises the wider questions of the duties of directors and the liability of shareholders to maintain any control over them.

Disclosure

Breach of these rules may render the transaction voidable. Thus in one case where a director had been paid £4,000 by way of compensation for loss of office without any disclosure to a Preference shareholder, the money was held to be refundable.

Requirements

If the payment was for compensation for loss of office of a director, or consideration for retirement, it would be within the category of a "golden handshake" if it had been made as the result of other considerations then, even though it might be coincident to the loss of, or retirement from, the directorship.

Overhaul

It is sometimes said inaccurately that directors have a duty to consider the interests of the shareholders. Strictly speaking, directors owe their duty to the company and not to the shareholders. Thus they are in law bound to disregard the interests of individual shareholders where they conflict with the company's interests.

Final unworthy of occasion

GLoucestershire, splendidly led by Procter, beat a disappointing Kent by the substantial margin of 64 runs to win the Benson and Hedges Cup before a capacity crowd at Lords on Saturday.

Small is best in Cowes-Dinard

A RECORD entry of 268 yachts left Cowes for Dinard on Friday, many crews hoping for a quick cross-Channel race with the traditional celebrations in the old walled city of St. Malo, to round off the weekend.

Watson unlucky but all goes right for Hunt

EVERYTHING went right for James Hunt in the John Player Grand Prix at Silverstone on Saturday. Hunt, whose results this year have been far from satisfactory for a reigning world champion, scored his first championship win of the season to almost hysterical reception by the home crowd.

MOTOR RACING

Watson, who must be wondering what he has to do to win a race this year, was dogged by his usual bad luck. He took the lead from the start, easily outpacing Hunt, who was hampered by a dragging clutch.

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Tactics may prove decisive

FIVE COURSE winners and those much-improved performers Mountain Cross and Rebec should ensure an absorbing race for to-day's £10,000 Teanote Trophy at Ayr and the jockeys' tactics may prove decisive.

RACING

My idea of the best bet in this stayer's event is the Jack Hansoo-owned and trained Sultana Ruby. This strong chestnut son of Royal Palace has proved something of a disappointment since chasing home Sportdog Yankee in the William Hill Futurity last season.

RACING

He showed that a return to form was on the cards, however, when running on to the seventh heaten than six lengths, in the Joe Corbett Northumberland Plate last time out.

RACING

At that running he can be expected to reverse placings with Mountain Cross on 5th better terms, the expected odds of about 10-1, he appeals as good value in a tricky event.

Radio

- BBC 1
6.40 a.m. Open University (UHF only) 1.15 p.m. News, weather, regional news, 18 Regional News (except London), 4.20 Play School, 4.45 Lippy Lion cartoon, 5.10 Go With Noakes, 5.30 Ludwig, 5.40 News, weather, 5.55 Nationwide, 6.10 Sportsworld, 7.20 The Mackinnons, 8.10 Panorama, 9.00 News, weather.

F.T. CROSSWORD PUZZLE No. 3433

Crossword puzzle grid with numbers 1-30 and letters A-Z.

- ACROSS
1 The bird in the plot is dismissed (6)
4 Study the river—that's one course (8)
9 Yet MSS should be arranged in order (8)
10 The champion is to yield about the finish (8)
12 Godiva rode clothed on with (6)
13 Refined prohibition in the river (6)
15 Irrational (4) to a sailor ridiculous (4)
16 Now is the winter of our... (Richard III) (10)
19 Mao of letters has a job to overcome (10)
20 Blemish apparent in any politician's career (4)
22 Divide refreshment breaks the trance (6)
25 Ancient warrior has experts round the rising ground (6)
27 Sailors possibly listen to the matches (8)
28 This sailor was doubly evil (6)
29 Cures for engineers about to expire (8)
30 Hensley comes from Russia but with love from (6)

LONDON

- 9.25 Royal International Horse Show, 10.50 How Wars Begin, 11.20 Weather, regional news. All regions as BBC 1 except at the following times: Wales—1.30-1.45 p.m. Pili Pala, 5.55-6.20 Wales Today, 6.40-6.55 Heddiw, 6.55-7.20 Farming in Wales, 11.20 p.m. News and weather for Wales. Scotland—9.50-9.55 a.m. The Wombles, 9.55-10.10 Jackanory, 10.10-10.25 Saturday, 10.25-11.00 Go USA: The Oregon Trail, 5.55-6.20 p.m. Reporting Scotland, 11.20 News and weather for Scotland, Northern Ireland—1.14-1.20 p.m. Northern Ireland Six, 5.55-6.20 News and weather for Northern Ireland. East (Norwich): Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South (Southampton); Spotlight South West (Plymouth).

Radio 1

- 11.50 Close down: Pauline Williams reads "Gardenburg" by Michael Hamburger.
3.20 a.m. Summer School, 10.15 Certain Women, 11.05 Inner Space, 11.20 News, 11.25 Regional News, 11.30 The Wholes, 12.00 Nice and Mendelson, 12.10 p.m. Pipkins, 12.30 Musical Triangles, 1.00 News, 1.20 Meet Betty Boop, 1.30 Country Round, 1.40 Good Afternoon, 2.25 Six Days of Justice, 3.20 The Squirrels, 3.50 Emmerdale Farm, 4.20 Clapperboard, 4.45 Advertisements in Rainbow Country, 1.15 Saturday, 5.45 News, 6.00 London Quiz, 6.45 Whodunnit?, 7.00 Coronation Street, 8.00 Paradise Island, 8.30 World in Action, 9.00 The XYY Man, 10.00 News, 10.30 Good Afternoon, 10.30 For Adults Only, 12.10 a.m. Love American Style, 12.25 Close: Country poems.

Radio 2

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3.20 a.m. Summer School, 10.15 Certain Women, 11.05 Inner Space, 11.20 News, 11.25 Regional News, 11.30 The Wholes, 12.00 Nice and Mendelson, 12.10 p.m. Pipkins, 12.30 Musical Triangles, 1.00 News, 1.20 Meet Betty Boop, 1.30 Country Round, 1.40 Good Afternoon, 2.25 Six Days of Justice, 3.20 The Squirrels, 3.50 Emmerdale Farm, 4.20 Clapperboard, 4.45 Advertisements in Rainbow Country, 1.15 Saturday, 5.45 News, 6.00 London Quiz, 6.45 Whodunnit?, 7.00 Coronation Street, 8.00 Paradise Island, 8.30 World in Action, 9.00 The XYY Man, 10.00 News, 10.30 Good Afternoon, 10.30 For Adults Only, 12.10 a.m. Love American Style, 12.25 Close: Country poems.

Radio 3

- 11.50 Close down: Pauline Williams reads "Gardenburg" by Michael Hamburger.
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JOHN WATSON Dogged by usual bad luck

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Handwritten signature or mark at the bottom of the page.

OVERSEAS NEWS

Muzorewa receives strong welcome in Salisbury

BY TONY HAWKINS

TENS OF thousands of blacks turned out in Salisbury this morning to welcome back Bishop Abel Muzorewa, leader of the United African National Council (UANC), from a foreign tour. Police estimated the thronging crowds at well over 100,000, and some estimates put the crowds as high as 200,000.

Respite for Soares over agrarian law

BY DIANA SMITH

LIBSON, July 17.

THE MINORITY Socialist Government's proposed revision of the agrarian reform law designed to lessen Communist domination of Portugal's grain belt may now have a safe passage through Parliament. A week of feverish back-street negotiation with opposition parties has given the Prime Minister, Sr. Mario Soares, a respite from the Parliamentary crisis hanging over his administration.

Sri Lanka Press strike

BY K. K. SHARMA

COLOMBO, July 17.

THE LATEST issue in Sri Lanka's bitter general election campaign — a strike by journalists working for the Government-controlled Associated Newspapers Group, remained deadlocked yesterday when many journalists said they would defy a management notice to return to work immediately.

TEHRAN DAILY 09.55 NON-STOP

This summer, our non-stop flights to Tehran run right through the week. Leaving Heathrow at a highly convenient 09.55. Arriving in Tehran in time for dinner. And all with the comfort of a 747. Ask your travel agent about our non-stop flights, or any of our eighteen flights a week to Tehran.



SALISBURY, July 17.

Mr. Sithole, by-passing the Patriotic Front, which controls the guerrillas. The Bishop said it was now time for active politics. He was seeking an "immediate settlement" Britain and Mr. Smith must recognise that the UANC commanded the support of the vast majority of Africans in Rhodesia.

W. German proposal on East-West force talks

By Jonathan Carr

BONN, July 17.

WEST GERMANY has made proposals to the U.S. aimed at bringing progress to the East-West force reduction talks (MBFR) in Vienna, even if negotiations between the superpowers on strategic arms limitations remain stalled. Chancellor Helmut Schmidt, who returned to-day from a 12-day visit to Canada and the U.S., gave no details of the plan. But he said in a radio interview that the response to it in Washington had been positive, that the two countries would discuss it further and present it to their allies, probably in late summer.

New York blackout post mortem

BY STEWART FLEMING

NEW YORK, July 17.

MAYOR Abraham Beame and several New York city politicians toured looted areas of the city over the week-end and faced angry recriminations from small business owners, many of whom claim to have lost everything in the chaos which followed last week's electrical blackout in the city.

Israel makes major food subsidy and defence budget cuts

BY L. DANIEL

JERUSALEM, July 17.

A DRASTIC belt-tightening package—the first to be presented by Prime Minister Menachem Begin's Likud Government—was announced last night by Simcha Ehrlich, the Finance Minister. From midnight, prices of basic foodstuffs and their derivatives (such as bread and milk) will go up by an average of 25 per cent, as will the price of water, public transport and all types of fuel, including gas and electricity.

Without the cutting of subsidies on staple goods, the Government Budget—originally prepared by the defeated Labour administration but never passed—was cut by £100m, or close to 2 per cent, the main reduction being in the Defence Ministry's expenditure. The Government will now not resort to the printing presses for more than 5 per cent of the proposed Budget of £7.3bn. This could have been further reduced by the total abolition of subsidies on staples, but this would have necessitated a price rise of 40 per cent, Mr. Ehrlich said.

Egypt alters course in its defence strategy

BY MICHAEL TINGAY

CAIRO, July 17.

SAUDI ARABIA is committed to paying for the development of Egypt's armed forces over the next five years, President Anwar Sadat said this week-end in a speech to the central committee of the Arab Socialist Union. Also in his speech Mr. Sadat said that the latest Egyptian defence strategy, which he said was being revised, would reduce the numbers of Egyptian tanks and jeeps, should be moved into active production within two years. While the peace strategy would mean reducing the proportion of national income spent on defence, nothing has been said publicly about reducing the numbers of the armed forces. However, at the time of Dr. Henry Kissinger's former U.S. Secretary of State's most frequent visits to Egypt in 1975 there had been talk in official circles of Egypt's eventually cutting its armed forces back to numbers which it was believed the President favoured the development of a smaller, highly mobile professional army which would eventually replace to-day's army.

Somali-Soviet rift silence

By James Buxton

THERE WAS no official confirmation in London yesterday of a newspaper report that Somalia has ordered all Soviet advisers to leave the country. Nor was there any announcement from Mogadishu, the Somali capital, as might have been expected in the event of a major break with the Soviets. President Siad Barre, who last week visited Saudi Arabia, is understood to have been telling the Soviets to leave, and is reported to have been promising considerable financial support from Saudi Arabia which could be used to purchase military equipment.

Alaska pipeline allegation

BY OUR OWN CORRESPONDENT

NEW YORK, July 17.

THE National Transportation Safety Board, the U.S. agency investigating the explosion which destroyed pump station eight on the Trans-Alaska pipeline just over a week ago, has suggested that pipeline employees failed to follow written procedures prior to the disaster. The board has suggested in a public statement that communications amongst people engaged in the start-up of the pipeline had broken down. In a written order the chairman of the board has put forward two urgent recommendations. The first is that a manager or management team should be designated at each pump station to ensure that written procedures are followed. The board has also asked the Alaska Pipeline Service Company which operates the line to review all its operating and start-up procedures.

COMPANY NOTICES

DIVIDEND NOTICE TO THE HOLDERS OF EUROPEAN DEPOSITORY RECEIPTS FOR COMMON STOCK OF SHARP CORPORATION (SHARP KABUSHIKI KAISHA) (Formerly Hasekawa Electric Co. Ltd.) DESIGNATED COUPONS CASH DIVIDEND COUPON NO. 34 STOCK DIVIDEND COUPON NO. 35

(Action Required on or Prior to November 30th 1977) The Board of Directors of Sharp Corporation has declared a dividend for the year ended June 30, 1977. The dividend is payable to the holders of European Depository Receipts for Common Stock of Sharp Corporation (SHARP KABUSHIKI KAISHA) (Formerly Hasekawa Electric Co. Ltd.) DESIGNATED COUPONS CASH DIVIDEND COUPON NO. 34 STOCK DIVIDEND COUPON NO. 35

Table with columns for Coupon No., Dividend payable, and Stock Dividend payable. Includes details for 50 and 100 shares of Common Stock.

March 31st, 1977, has been established as the record date for the distribution of the above dividend. All receipts issued in respect of Common Stock which are to be distributed will be without Coupon No. 34 attached.

J. LYONS & COMPANY LIMITED (CDRs)

The undersigned announces that as from 15.7.77 at Keston, Leamington Spa, Warwickshire, the CDRs of J. Lyons & Company Limited 7% CONV. RED. CUM. PREF. each repr. 50 shs and 500 shs will be payable with Dfs. 5.15 resp. Dfs. 51.60 (re period 15.7.77-14.7.77, being 2.45p p.sh.).

THE BRADSHAW FUND S.A. SOCIÉTÉ ANONYME DE DROIT SUISSE. LARGER OVERSEAS RECEIPTS (OROS) ISSUED BY EUROPEAN OVERSEAS RECEIPTS CORPORATION. NOTICE IS HEREBY GIVEN in accordance with the terms and conditions of the prospectus...

BUSINESSES FOR SALE

SUCCESSFUL PLANT HIRE COMPANY. Specializing in the hire of large plant and machinery for the construction, coal, mining, quarrying, and general building industries.

REPRODUCTION FURNITURE BUSINESS ON SOUTH COAST. Good machinery and work force operating and a substantially full order book producing £3,500 p.w. Would consider a working partnership. Reason for sale on health grounds.

SHARE DEALING COMPANY with agreed tax losses of around £40,000. Clean Balance Sheet. Write Box T.4692, Financial Times, 10 Cannon Street, EC4A 3DF.

ASSETS OF LIGHT ENGINEERS & TOOLMAKERS. To include: Freshford Presses and all Plant and Machinery. Location: South London. Write Box T.4689, Financial Times, 10 Cannon Street, EC4A 3DF.

THINKING OF SELLING OUT? I would like to buy a well established company, preferably situated in Essex or Kent, in the manufacturing, distribution or service industry. Must be producing net profits of about £2,000 p.a. Please reply in confidence. Box T.4693, Financial Times, 10 Cannon Street, EC4A 3DF.

CONFERENCE? SEMINAR? COMPANY MEETING? RECEPTION? FILM PREVIEW? ADVERTISING PRESENTATION? There's no need to hunt around the West End for a suitable venue or viewing theatre. The FT Cinema, here in the City, offers seating in comfort for 50+ people. Full 16mm film projection facilities. National Panasonic 1/2" colour video tape and Philips 1501M video cassette viewing. Electrosonic 3601 slide presentation system. And luxurious private dining rooms with extensive catering facilities.

FINANCIAL TIMES CINEMA. All enquiries to: E. J. Dorner, Cinema Manager, The Financial Times, Bracken House, 10 Cannon Street, London EC4A 3DF. Tel: 01-248 9000 (ext. 670).

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO. In the Matter of KING RESOURCES COMPANY INC. INTERNATIONAL RESOURCES LIMITED.

NOTICE TO CREDITORS. The undersigned, as Liquidator of the above-named Companies, do hereby give notice that the Companies have been placed in liquidation.

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WORLD TRADE NEWS

Sea oil boosts U.K. exports to W. Germany

By HAWTIN

Exports of North Sea Oil to Germany have provided the impetus for a strong increase in sales in the Federal Republic. Soaring sales in the raw materials sector offset export declines in agricultural products and oil semi-manufactures and boosted a rather slower rate in deliveries of manufactured goods.

30m. loan for Thistle Field

By DAFTER, ENERGY CORRESPONDENT

THE BANK has agreed to provide a medium term \$30m. loan to help fund development of the North Sea Thistle Field. The credit, guaranteed by Erdolversicherungs-gesellschaft Deminex parent company, will be used by Deminex and Production Development Oil and Gas Ltd. which together have a 41% stake in the 550m-cu-ft field.

acts on motor pact

By BRUSSELS, July 17

THE EC Commission has approved the Metal Box Steel Radiators, and Motor Pact. The pact allows the radiator makers to produce Aga radiators in the U.K. to meet demand in other countries.

neers aim 300m. sales

Engineering industry aims to reach 300m. sales in 1977. The industry is aiming to top last year's record of 250m. for the first time.

ANCE PROPERTY COMPANY LIMITED

Advertisement for Alliance Property Company Limited, mentioning a stock issue of £3,737,977 7/8 per cent. Mortgage Debenture Stock 1986/91.

Australian EEC trade supremo

By Kenneth Randall

THE PRIME Minister has created a new portfolio in his government, minister for special trade negotiations with the European Economic Community. Mr. John Howard was sworn into the job today after being minister for business and consumer affairs since the Fraser government took office.

Soviets regret Lucas veto

By David Satter

THE SOVIET UNION has expressed its regret over the refusal of the British Government to approve the sale to the Soviet Union of a high technology automatic fuel injection system for use in the Soviet TU-144 supersonic airliner.

U.K. housewares success at Tokyo exhibition

By CHARLES SMITH

MORE THAN \$500,000 worth of firm orders have been won by 18 British companies which took part earlier this month in an exhibition of "housewares" at the British Export Marketing Centre.

Greek, Turkish talks

By OUR OWN CORRESPONDENT

GREEK AND TURKISH industrialists have agreed to increase their contacts to create a better psychological climate between their two countries, at odds over the Cyprus issue and territorial rights in the Aegean Sea.

Japanese plan fibre cartel

TOKYO, July 17

TORAY Industries said a group of 10 Japanese synthetic fibre manufacturers has decided to form an export cartel subject to International Trade and Industry Ministry approval.

World Economic Indicators

Table with columns for Industrial Production and % Change on year for various countries including Italy, U.S., U.K., France, Holland, Belgium, and Japan.

HOME

British Airways will spend £2bn. by 1990 to replace its fleet

By MICHAEL DONNE, AEROSPACE CORRESPONDENT

British Airways expects to spend upwards of £2bn. by 1990 on progressively replacing its existing fleet of more than 200 aircraft. No immediate big purchases of new types are planned. Instead, the airline intends to top-up its existing fleet of 18 Boeing 747 Starliners and 15 Lockheed TriStars for both long and medium hauls, and make additional purchases of helicopters, as passenger and cargo traffic grows.

Tanker activity reduced

By OUR SHIPPING CORRESPONDENT

WITH THE New York market "blackened out" for a time last week, oil tanker activity was reduced. According to E. A. Gibson Shipbrokers there was increased demand in the Gulf loading area, mostly for the large size units.

Also, the airline does not want to be among the first to buy new types of jet. It prefers to let others act as pacesetters, and will buy only when the type it wants has been proved in service. It might even decide to buy interim aircraft, such as more One-Elevens or Boeing 737s.

Flexible by Lufthansa

When it does make up its mind its requirement will be large, perhaps as many as 40 aircraft spread over several years. The precise number will depend on several factors, such as the rate at which traffic grows and the rate at which older aircraft are replaced.

Advertisement for GIST-BROCADES INTERNATIONAL N.V. featuring a logo and listing various banks and financial institutions that provide financing for the company's 8 1/4% Notes due 1985.

Building and Civil Engineering

Howlem wins £12m. Dam in Somalia

East Africa contracts

EM HAS won two contracts as engineer for the construction of a dam on the river Juba, north of Sookow, 250 km. up river from the coast.

To be known as Saakow Barrage, the structure will be one of a number of works which are planned for the development of the Juba river basin. It is located at an isolated site, about 350 km. west of the capital, Mogadishu, and the project will include the improvement of existing road access, and the provision of an airstrip and radio-communications.

Financed by the European Development Fund, the reservoir will have a storage capacity of 400m. cubic metres and will provide at least 30 cubic metres per

second of water during the low flow season as well as helping to control floods. It will also constitute a permanent diversion structure which will raise the water level by about 7 metres and feed canals that will irrigate all suitable land between the barrage and the nomad settlement at Dujuja.

It will provide power for a small hydroelectric plant, and will be designed to allow for the possible future construction of a system of locks to permit passage past the barrage by river craft. The design will include a spillway and river control structure and earth embankments extending from the left and right banks of the river.

The dam is to be completed ready for contract tendering by June 1978.

Setting up a plant in Nigeria

LONDON Brick Buildings has formed a new company to manufacture and erect pre-cast concrete buildings and other allied building products in Nigeria. Called Banbury Systems (Nigeria) the company will be based in Kaduna, where building of the manufacturing plant is already under way.

The decision to form the new company followed a market research programme which highlighted the potential for the Banbury building system which is particularly suitable for the construction of housing, schools, clinics and commercial buildings.

The manufacturing plant at Kaduna will also produce steel frame, timber components and aluminium windows and doors,

which not only are designed to integrate with the concrete system, but can also be sold in the open market.

Battersea Churches Housing Trust (£25,000), roof repairs for British Mail Order Corporation (£30,000) supermarket extension for Amos Hinton and Son of Guisborough, Cleveland (£111,000), a factory for Avon Rubber, Melksham, Wiltshire (£204,000), a two-storey building for the College of Air Training (Properties) at Hamble, Hants (£125,000) and refurbishment of a food hall for Cater Bros. (Extractions) at Gloucester (£121,000).

All these, plus a few others bring the total for Rush and Tompkins to around £3m.

Many jobs for Rush & Tompkins

IN SCOTLAND, Rush and Tompkins has won a £1m. contract from Templeton Gray Corpa. The contract covers extension of a factory in Glasgow and includes a new weaving hall and yarn store. This is the largest of a very mixed bag of awards.

Other contracts are for an extension to a training centre at Stevenston, near Abingdon, Oxford for W. H. Smith (£200,000), for workshops and amenities at ICI Agricultural Division at Billingham (£382,000) and for excavation work for British Steel Corporation (£230,000).

Among several smaller contracts are houses for the

More flood defence work

WORK IN connection with the River Thames flood defences is being continued by John Howrsrd and Company which has already been involved in £5m. worth of contracts on this project.

The latest contract at Greenhithe, and worth nearly £2m., has been awarded by the Southern Water Authority. It calls for reinforced concrete retaining walls, earth embankments, anchored steel sheet piling walls, flood gates and drainage.

Howard's other flood defence contracts are for the Greater London Council at Erith and Woolwich. In the north, Howard has been awarded a £263,000 contract by the City of Liverpool for road and sewer extensions at Knowsley Industrial Park.

Engineering centre and offices

CIGNET GROUP Contractors of Belmont, Surrey, has been awarded a contract for a new telephone engineering centre for the GPO at Canterbury.

Worth over £700,000, the contract calls for two storey administration block, a single storey workshop, and a single storey store.

Work has also started on a project for Tuftin at Barnstaple, Devon. This contract, valued at £296,000 is for 30,000 square feet of offices on two floors together with 28,000 square feet of production and stores area.

Flats for the single

SPECIFICALLY designed for single people, 99 self-contained bed-sitters and 41 "cluster" flats (for two to ten people), are to be built in Bradford. The project, one of the first of its kind in the country, will eventually accommodate over 350 people, at a building cost of £1.6m.

Each "cluster" flat tenant will have his or her own bedroom, but will have to share kitchen, bathroom and living room facilities.

Construction should commence early next year, and the building will range between four and eight storeys high, forming two curved blocks enclosing a central landscaped courtyard.

To be sited at the junction of Croft Street and Manchester Road, the flats should be ready for occupation in 1979.

Developed by the Bradford and Northern Housing Association and financed by the City of Bradford Metropolitan Council, the scheme was designed by John Brutton and Partners.

8½m. hotel for Abu Dhabi

RS ARE to be sought in national architectural competition in 1976. The 422-room hotel will house 36 luxury suites, 3 restaurants, a natural therapy centre (sauna, massage, pools, etc.), a bank, hairdresser, etc., and a ballroom which will also accommodate 500 people for conference purposes.

Obert Hotels which has its headquarters in New Delhi, India, has been appointed to run the hotel.

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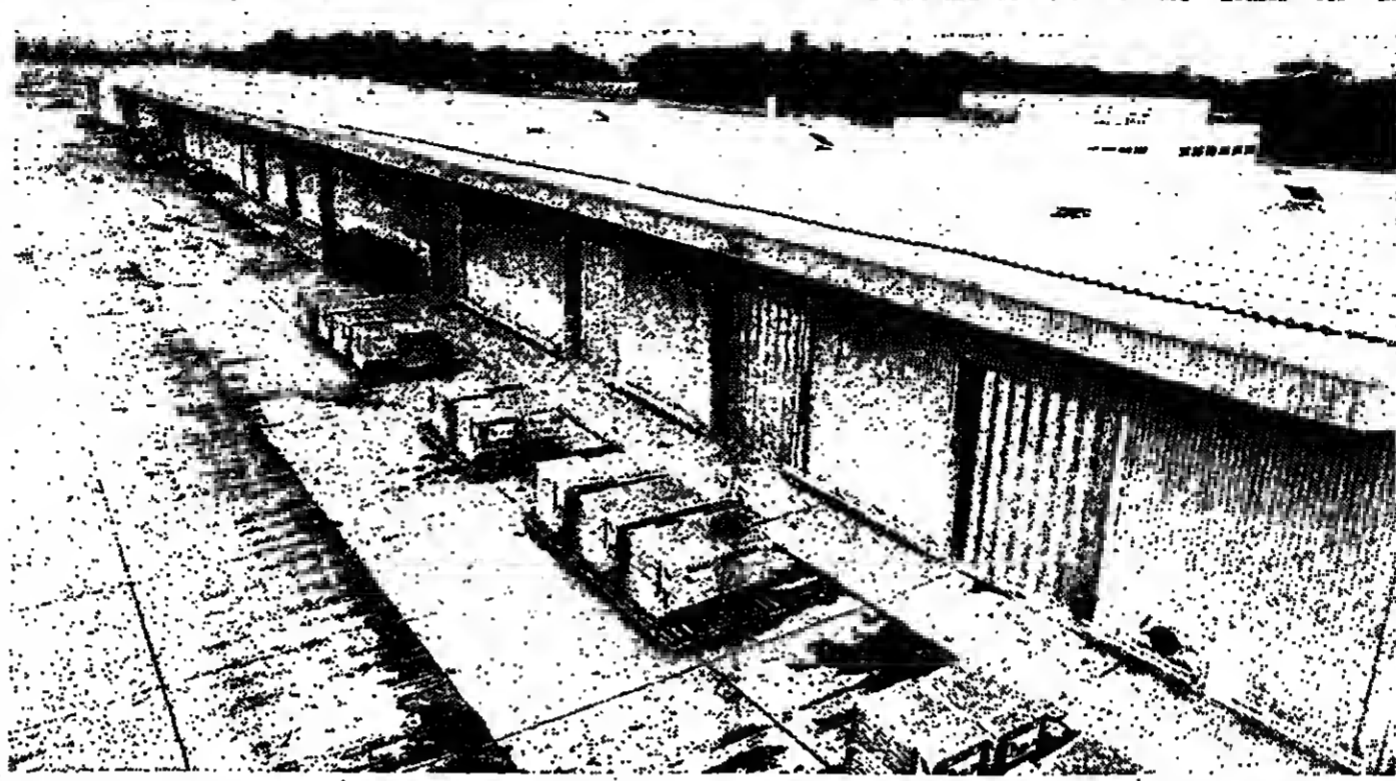
1.5m. Tesco store

CONSTRUCTION has started on a new Tesco store at Finchley, North London. The store will be a 1,400 square metre complex with offices and departments above. Nearby six-storey park for 300 cars will be built on the site.

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A contract worth £1.25m. has just been let by the British Airports Authority to Amey Roadstone Construction for aprons and taxi-ways for the new £2m. Cargo Village at Gatwick Airport. Part of the extensive £100m. modernisation scheme, which has been under way at Gatwick for the past few years, designed to raise the airport's capacity from the present 6m.

to 16m. passengers a year, the new Cargo Village, of 115,000 square feet, will be capable of handling 150,000 tonnes of cargo a year. Already, Gatwick Handling has moved its British Caledonian Airways is in the process of doing so and will become operational there soon, and British Airways and Tradewinds Airways are expected to move in before the end of this year.

Hospital job Cubitts

D. Hannen and Cubitts is to begin work at this month on a £2.8m. project at the Leicester Royal Infirmary.

Two-year contract awarded to Hannen and Cubitts is to begin work at this month on a £2.8m. project at the Leicester Royal Infirmary.

will house the departments of pathology, physics and physiological measurement, will be linked to the University of Leicester clinical sciences building which is due for completion early next year.

Consultant architects for this project are Pick Everard, Keay and Gimson.

New dock facility

THE PORT of Tyne Authority has awarded a £1.54m. contract to Sir Robert McAlpine and Sons for the construction of a roll-off berth at Whitehill Point, Albert Edward Dock, North Shields.

This new facility, comprising an alongside drydock berth, quay and link span bridge, designed to accommodate Ro-Ro vessels up to 183 metres long, 25 metres extreme breadth and 7.5 metres draught, will be capable of accommodating the largest Ro-Ro vessels now operating, or envisaged, operating within the next 10 years.

Work is just starting and completion is scheduled for mid-1978.

made of glass fibre reinforced cement (GRC) and a leading exponent of this technology is Pilkington Brothers.

The latter has just recommended fabricators all over the world that use the company's Cent-Fil alkali resistant glass fibre for the manufacture of GRC components to employ Monsanto's Tensometer Type W as a universal tensile testing machine during manufacture.

Theatre restoration

WORK ON the restoration of Nottigham's Theatre Royal is progressing well, according to Bovis Construction, the main contractor.

Built in 1885 to the design of C. J. Phipps, the foremost theatre architect of the period, the Theatre Royal is listed as being of Architectural and Historic Interest, Grade II.

The colonnaded portico, facade, auditorium and stage enclosure will be refurbished by Bovis in the original style but, to meet current regulations, the spacing of the stalls seats in the auditorium is to be improved and the gallery completely reorganised to provide more comfortable seats and improved head room. A seating capacity of 1,148 will be provided.

Brick wall loading tests

THE FIRST phase of loading tests on a diaphragm wall, a novel type of brick wall which could prove very effective in the construction of tall, wide-span buildings such as sports halls, warehouses and factory buildings, was completed last week at the Department of Civil Engineering, University of Liverpool.

The diaphragm wall is basically a wide cavity brick wall braced by cross ribs of brickwork. Used for industrial buildings, says the Brick Development Association,

Housing in Scotland

THE EDINBURGH regional office of George Wimpey and Co. has been awarded a contract valued at over £2m. for the construction of 199 single and two-storey dwellings in the Deang area by Livingston Development Corporation.

Completion of the contract in the summer of 1979 will bring the total number of houses built by George Wimpey in Livingston New Town to over 2,000.

Wimpey has also been awarded a contract valued at about £1m. by the Royal British Legion Housing Association for the erection of a mixed development of flats and cottages in the East Craigs district of Edinburgh.

will house the departments of pathology, physics and physiological measurement, will be linked to the University of Leicester clinical sciences building which is due for completion early next year.

Consultant architects for this project are Pick Everard, Keay and Gimson.

Study of concrete in sea water

A 95-YEAR-OLD wartime fort at Tongue Sands in the Thames Estuary, eight miles north of Margate, may yield vital information which could influence the construction and maintenance of oil production platforms for the North Sea.

Research work is being carried out on the fort because of its similarity in structure to offshore concrete platforms and especially because it will provide data on the long-term performance of reinforced concrete in sea water.

The fort is one of four which were hoisted out from Gravesend and sunk in the estuary as platforms for anti-aircraft guns.

At Tongue Sands, investigations are being carried out by the Taylor Woodrow Research Laboratory, which has been involved for a number of years in analysing the durability of concrete on land-based and marine structures. One of the important aspects of the current research will be developing investigatory techniques, conventionally used on land structures, for the underwater environment.

The work is being carried out as part of a £300,000 "Concrete in the Oceans" programme of research, jointly sponsored by the Department of Energy, a group of 22 industrial contributors co-ordinated through the CIRIA Underwater Engineering Group and technically supervised by the Cement and Concrete Association.

Will test the strength

CLADDINGS and other architectural features in modern buildings are increasingly being made of glass fibre reinforced cement (GRC) and a leading exponent of this technology is Pilkington Brothers.

The latter has just recommended fabricators all over the world that use the company's Cent-Fil alkali resistant glass fibre for the manufacture of GRC components to employ Monsanto's Tensometer Type W as a universal tensile testing machine during manufacture.

The sinews of industry



needs its buildings quickly and it also wants them maintained and fire resistant. Crendon offers all this and more. They need to be adaptable, able to accommodate almost any elevation. This way Crendon structures meet architects plans as well as the needs for factories, offices and offices.

don 4 frame, for example, a very flexible system allowing a combination of span sizes levels to be achieved in a single structure. An important consideration where, as is frequently the case, factory or warehouse and say a two storey office block are to be combined. Our technical leaflet explains some of the structural variations and the design freedom which the Crendon system can always provide.

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SCOTLAND: Sharncliffe Road, Glasgow. G12 8BP. Tel: 043 22681

Pipes for Sullom Voe

REDLAND TILES has been awarded an order for £370,000 worth of glass reinforced plastic pipes for the major part of an underground pressure main to carry ballast and treated effluent water at Sullom Voe oil terminal in the Shetland Islands.

The system is designed to operate at pressures up to 12 bar.

The 2700 metres of 850 mm diameter GRP Fibro pipes, to be supplied in varying lengths from six to nine metres, will have machined ends to take pvc coated Viking Johnson couplings. These will be given the added protection of polythene sleeves.

Delivery of the pipes for HP petroleum Development Company is expected to start in the autumn.

Fast set of sprayed concrete

TO PROMOTE quick setting of the mixtures used in sprayed concrete and gunning work, Corvix division of Joseph Crossfield and

ENDON



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IN BRIEF

- As part of the refurbishing programme of the BP Oil high rise computer building at Hemel Hempstead, Hertfordshire, Hsmond and Champness is to undertake an £86,000 lift replacement contract.
- Extensions to the Cunsrd Hotel in London have just started by Willett (Trafalgar House Group) under a contract worth £355,000. Transcontinental Hotels placed the award which is for the construction of a podium, basement and under cover parking areas for the hotel on the site formerly occupied by the Hammersmith municipal offices. Architects are T.P. Bennett and Son.
- John Laing Construction has been awarded a contract by Allied Breweries (U.K.) to build a Tetley public house in Hemlington, near Middlesbrough.
- Under a contract worth nearly £800,000 Hardstock of Hitchin is to modernise and convert 26 three-storey houses into 68 flats in Lots Road, London, S.W.10, for the London Borough of Kensington and Chelsea.

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STREETERS OF GODALMING LIMITED

A RECORD YEAR

Extracts from the Chairman's additional remarks at the Annual General Meeting held on 14th July, 1977.

As forecast a year ago, we carried out last year an adequate turnover in a restricted market and I am very pleased to report that we were able to improve our profit margin substantially.

You will note that the Group Pre-Tax Profits in the U.K. were almost doubled. Additionally there was an Exceptional Profit of approximately £345,000, which resulted from a variation in the rate of exchange with regard to the sale of plant and equipment for use in Saudi Arabia on terms agreed at the time of shipment. It is unlikely that this profit will be repeated. You will note that the Revenue Reserves have been increased by more than two and a half times the figure of the previous year to £1,043,000.

Regarding Dividends
The maximum dividend permissible is being paid. I regret that Government Legislation prevents the Company giving the shareholders a better return on their investment.

I have to report certain changes in your Board. Firstly, Mr. Richard Bowyer, who has been with us for six years, is leaving to take up an appointment in the Middle East. He goes with our good wishes and I am pleased that he will continue to be associated with us through Streeters Saudi Arabia.

Mr. Peter Hunter, F.C.A., will be joining the Board on 1st August as Group Financial Director.

I am delighted to welcome Mr. Alan Gibson. He has joined the Board in pursuance of our intentions to diversify the Company's activities in other areas of civil engineering, in which he has a successful background.

Future Prospects
You will no doubt wish to know if I can elaborate further on our Associated Company's activities in Saudi Arabia. I think that I should at this time do no more than re-state the words of the paragraph that appears in our Annual Report, namely, that Streeters Saudi Arabia, which operates under Streeters of Godalming management, has experienced unforeseen trading conditions resulting from the decision of the Government of that Kingdom to delay many major projects to reduce internal inflation and demand. However, the success of these measures will lead to an alleviation of their application during the current year, and our competitiveness in our field gives us every reason to anticipate success.

Regarding future prospects in the U.K., you will know that the Construction Industry was again afflicted by Government Policy, this time in the form of a six month moratorium on the letting of contracts. Fortunately, in the case of Water Authority work, which includes sewerage, this moratorium was lifted in April and since then we have received a steady flow of contracts for which to tender and, in the circumstances, I am pleased to report an adequate workload well into 1978.

Existing contracts show the increasing trend of profitability I was able to report for 1976.

Thus we can look forward to very satisfactory results for 1977.

E. A. STREETER,
Chairman.

HOME NEWS

Housing land shortage likely in 18 months

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

A CRITICAL shortage of housing land seems inevitable in the next 18 months, unless Government policies are quickly changed, according to the House Builders Federation.

The planning system is largely responsible for creating the land availability problem and major reform of the system's objectives and detailed procedures is urgently required.

BBC accused of orchestrating support for its local stations

BY CHRISTOPHER DUNN

THE BBC is doing all it can to defend its local radio operations via a "carefully orchestrated campaign," according to Radio City, the independent Merseyside radio station.

The BBC in London did not feel that it was in a position to comment on the allegations, although it thought "there was no way in which such a campaign could be orchestrated."

Claims rise for house subsidence

By Adrienne Gleeson

INSURANCE CLAIMS for damage caused by subsidence are running higher so far this year than they were at the same time in 1976. This is agreed by the British Insurance Association and by several major insurance companies.

MP wants profiteering brewers to cut prices

BRITAIN'S BREWERS should make refunds to beer drinkers if the forthcoming Price Commission Report shows that they have made excessive profits, an MP demanded yesterday.

No capital shortage, Wilson probe told

By Nicholas Colchester

THERE IS NO shortage of funds, but there is a shortage of viable propositions claim nine companies providing development capital for industry in evidence submitted to the Wilson Committee on Financial Institutions.

American Express ends extended credit for travel

BY CHRISTOPHER DUNN

AMERICAN EXPRESS, the multi-national credit and charge card operation, has withdrawn an extended credit facility from U.K. resident card holders.

Early retirement in mines backed

BY ALAN PIKE, LABOUR STAFF

THE GOVERNMENT has approved the early retirement scheme worked out between the National Coal Board and the National Union of Mineworkers earlier this year to be implemented when Phase Two expires at the end of this month.

Non-legal watchdog urged for lawyers

BY A. H. HERMANN

THE INTERNAL working of the legal profession should be supervised by a new body including non-lawyers, and clients should be able to submit their complaints against solicitors to arbitration instead of going to court.

Importers and exporters absent from docks Board

BY OUR SHIPPING CORRESPONDENT

BRITAIN'S importers and exporters are represented on the reconstituted National Dock Labour Board.

Gilmour fears cancellation of 7511 Torpedo

THE GOVERNMENT was seriously considering the cancellation of the 7511 Torpedo project, Sir Ian Gilmour, Opposition spokesman on defence said at the weekend.

Two new livery companies

TWO NEW CITY of London livery companies—the company of Chartered Secretaries and Administrators and the Company of Builders Merchants—will be set up at a meeting of the Court of Aldermen of the Corporation tomorrow.

Airline chief's hi-jack report

AFTER THE hi-jacking of one of their aircraft in Kuwait last week, British Midland Airways yesterday sent Mr. John Wolfe, their general manager, to Kuwait to investigate the incident.

Grant given for risk management teaching

BY ERIC SHORT

THE BRITISH Insurance Association is providing a grant to the University College of North Wales, Bangor, to enable the teaching of insurance and risk management to be included in the new Department of Economic degree course in banking, insurance and finance.

Divers call off strike threat

NORTH SEA divers have withdrawn their threat of a strike from August 1 because Mr. She'don, the Financial Secretary to the Treasury, has agreed to "constructive discussions" between Island Revenue officials and the industry on the problems over divers' tax.

Suspend union call to TUC

THE NATIONAL Association of Licensed House Managers tabled a TUC motion for Congress in September for the suspension of the TUC and General Workers' Union. The Association says union failed to implement TUC disputes committee over recognition of their organisation at the Fox and Goose Birmingham public house.

Call for Labour review

BY OUR LABOUR STAFF

THE LABOUR Party conference in October will be urged by the General and Municipal Workers' Union to institute an urgent review of the party's structure, organisation, finances and internal democracy.

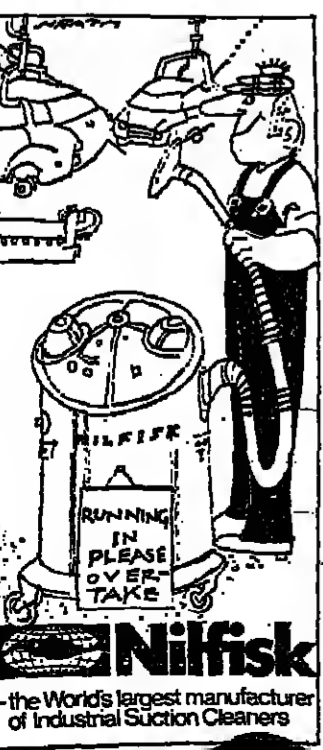
The cost of mail mechanisation

BY KEVIN DONE

THE POST Office's doubtful record on forecasting—whether in equipment ordering or future pricing policies—has largely been based in recent months on experiences in its telecommunications business.

with a mechanisation programme for letters involving the spending of £5m. to £8m. a year to 1982/83. By then it aims to have completed a network of 80 mechanised sorting offices.

In a single year it spends hundreds of millions of pounds on the inland mail business—£625m. in 1975—and the whole mechanisation programme only accounts for a fraction of that.



Report to-day on Belvoir coal prospects

THE National Coal Board will announce to-day the result of a feasibility study of the controversial plans to mine the Vale of Belvoir, which runs through Nottinghamshire, Leicestershire and Lincolnshire. The coal deposits are the largest in Europe.

Sweetener

The Post Office, however, excludes the lead-in payment from its calculations on the grounds that it covered many normal wage settlement elements beyond the mechanisation issue.

Restrained

Remarkably the mechanisation equipment industry which has served the Post Office steadfastly over the past 20 years of confused and unfulfilled expectations, has been restrained in its criticism of the corporation.

The Executive's and Office World

A gap in culture, not class, between management and shop floor is highlighted in a most unusual industrial relations course. Stephen MacAllister reports

Unions put their oar in at Henley

This morning a Bank of England official, a man from the Ministry of Defence and 20 works managers, industrial relations officers and others will be reporting back to their bosses on an extremely unusual course which ended this week-end at the Administrative Staff College, Henley. Margaret Thatcher's man on Employment—James Prior, MP—might even be reporting to his boss. The substance of their reports will be TU 6, a week-long course on trade union attitudes to industrial relations, devised and run exclusively by trade unionists.

As its designation suggests, it is the sixth course of its type to have been held by the college since April last year: one or two companies have sent people each time.

The trade union presence at Henley is nothing new. Two union leaders are college governors, and trade unionists have also attended some of its courses—as students as well as lecturers—but usually only in small numbers. It was this which prompted the college to consider how one of the major themes of contemporary business could be covered in more depth.

Die-hards

As intriguing as the governors' reservations, has been the attitude of die-hard traditionalists at the head of the union movement. Some of them, too, had qualms of their own. Voices representing the shopfloor at quite elevated levels were raised—paraphrasing the words of the late Sir John Gorton—echoing their counterparts at the other end of the spectrum after all, 20 or 30 times as many managers available for courses as there are trade union officials.

It was for this reason that Tom Kempner, the quiet iconoclast who founded the Bradford Business School before moving to Henley in 1972—and is shaking it up in the way that a zealous entrepreneur might deal with an old-established department store—hit on the idea of handing over an entire course to the unions. He managed to do it—but not without hiccoughs of resistance along the way.

Some of the college governors, in whom Kempner is ultimately answerable and who tend to preside over some of the

session on "In Place of and light. Haston's direct approach often amounts to a sort of diplomatic needling, done deliberately to elicit a point, and some of the speakers—whether senior members of a union hierarchy or shop stewards—seem to perform a similar function. But at many of the sessions there is a determination, even if it is occasionally touched with anger, to reach a sensible, or at least satisfactory, form of dialogue. The gap is thus bridged, but the initial structure is often of the fragile suspension variety.

Little croquet

The demand for places has been such that the organisers have been able to choose among the applicants with a view to increasing the probability of profitable discussion in the classroom. The level of industrial relations experience varies: on TU 4 there was a consumer goods factory manager who claimed there had been "no strike since 1888" in his company sitting along side the operations manager at a big metallurgical concern who said there were "deputations of shop stewards waiting for me to get out of my car nearly every morning."

The week starts on the Sunday evening and most days seem to stretch to 15 hours. There is little time for croquet on the immaculate lawn outside. On any course, particularly where a measure of self-examination may be called for, the barriers of reserve are initially high. Where central and highly topical issues are to be thrashed out between union teachers and management students they are often formidable.

Each course includes the general background to trade union activities, current legislative changes, negotiation and bargaining, and much discussion of the various approaches to industrial democracy. Within this framework, items and emphasis vary. For example, the last course—held in March—had a session on the Advisory, Conciliation and Arbitration Service (ACAS), another on the electrical contracting industry, and used the steel industry as an industrial democracy case study. The official Bullock session was entitled "Bullock—the way forward?"

Four short months later, last week's participants had a session on equal opportunities, the Post Office replaced steel in the industrial democracy slot, and to get out of my car nearly every morning."



Unions on the left of the table, represented by Ron Edwards, foreground, and Jock Haston, with managers on the right at last week's course.

ship, in objectives as well as accountability. Another participant took this further, suggesting that less time should be spent with the higher union echelons, and more with shop stewards. "The chief power and the chief needs and opportunities for improving efficiency are on the shop floor," he said.

The importance of such a change in emphasis was underlined at last week's course. According to some participants, union claims that their democratic structure ensures that members' views are reflected at the top appeared valid in respect of pay policy. But they felt the claims were not borne out on industrial democracy.

On the pay front, it was clear from shop stewards on the course that top officials have been reflecting rank and file feelings that there should be no work, and that pay the course with valuable settlements should be around 17 to 18 per cent. The mechanism, as both Haston and Edwards admit, is not perfect yet. But as long as the managers continue to come forward for instruction there is at least movement in the right direction. How do they measure the extent to which they may have opened a reactionary manager's eyes? Edwards points to the conclusion a confectionary production manager sent to his employers: "I was left with a sense of the trade union movement's enormous strength that the answer was that they civil servant, who said almost nobody, he felt, had gone there last week) reported: "On many issues, the most balanced arguments, whether you agreed with them or not, were from the unionists."

The critical cost factors of computers for small companies

BY MAX WILKINSON
THE GREATEST single change affecting small to medium sized businesses in the next few years is likely to be a rapid increase in the use of computers. Ironically, it is a change which is being made more and more difficult by the relative fall in price of computers and their enormous increase in power.

For the manager of even a quite small company now has the possibility of buying a system which is capable of the same complexity of operation as the machines which only the industrial giants could afford a few years ago. Whereas the big companies could afford the specialised staff to make a thorough investigation of all the implications of electronic systems, a smaller business may quickly become bewildered by the variety of systems available and the pace at which they are changing.

Off-the-shelf

In the face of this complexity it is difficult to know where a manager trying to get a practical job done should begin. Does he start with IBM or ICL? Would he turn the whole thing over to a consultant, or should he try to buy an off-the-shelf business system closest to his needs? There is no simple answer because essentially the installation of a computer and the systems which go with it must be the responsibility of management and cannot be passed on to technical experts in the same way as with other types of machinery.

Headaches in business

BY JOHN WICKS IN ZURICH
PROTECTIONISM and economic stagnation are among the biggest headaches of Europe's business leaders, according to a poll undertaken by the business environment council, a recently-created affiliate of the European Management Forum, which is based in Switzerland. In some 150 responses from companies in 25 countries and views given by 20 research institutes, protectionism was the

matter of concern most frequently evoked, followed by economic stagnation and inflation. Fear of social change at the end of a list of 16 possible pre-occupations, though the demands of unions and other power groups for a greater say in corporate policy is seen as reducing the ability of European industry to adjust in order to meet the challenge from the United States, Japan and the third world.

good relationship from the start is essential. Mr. Turner says: "Any supplier will take you more seriously as a customer if he knows that the Board is fully aware of the importance of its involvement with the computer project and has appointed a director to be responsible for it. If it is clear that you have taken the trouble to find out what is going to be required of each stage of the project, and that you intend to remain in the driving seat until the successful implementation of the system, then the supplier knows that you mean business."

The hook also warns against over-optimistic ideas that computerisation will save administration costs. Experience shows that while costs may be stabilised, they are unlikely to be reduced, it says.

Breakdown

The benefits must therefore be sought elsewhere—usually starting from some breakdown or inefficiency in the existing manual system. They should include increased speed in processing work and the provision of much wider and more accurate statistics as a basis for routine management decisions. The handbook is not light reading and perhaps in some places over-systematised, but as a clear exposition of the subject, it should provide an excellent starting point. The executive who is wholly at sea in the world of computers and their jargon might be advised to start with a bird's eye view offered in a simpler booklet "Computers for the Small Firm" by W. E. P. Dutton and R. C. B. Drew (ICFC NCMAS Management Series, 15, St. John's Wood Road, Harrow).

Because a very detailed knowledge of the company's procedures must be laid open to the supplier or systems house, a

The Computer Catch-22

What do you do when you get too big for your small computer but you're still too small for a big one?

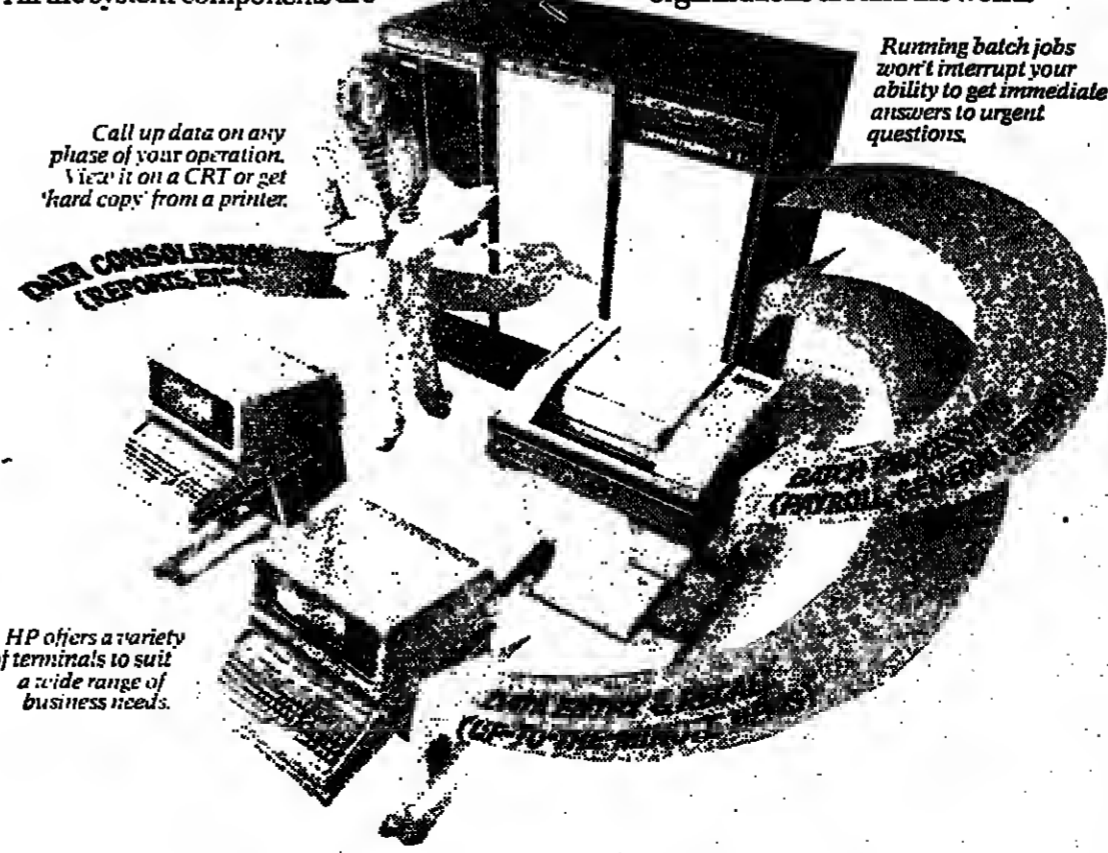
It's a tricky situation. You want a large system that will supply up-to-the-minute information about all phases of your company's operation. At the same time, you need a real workhorse to handle payroll, general ledger and other accounting chores. It sounds like a job for the traditional big computer until you figure the cost. That forces you to look at other options. Up to now they weren't very good. But today, giant strides in technology give you the best of both worlds: big computer capabilities at a small system price. In short, the Hewlett-Packard 3000 Series II.

A dozen different jobs at once. The new HP3000 is a glutton for work. While it's printing reports it will run your payroll, update sales figures, accept inventory data from your warehouse, interact with a programmer, maintain personnel records—all this and more without keeping anyone waiting. It gives you a number of other 'big computer' advantages too. You can run large programs, develop software quickly and inexpensively, and use up to six languages. And it still has time to give you immediate answers to important questions.

Turning raw numbers into usable information. Data Base Management—the ability to consolidate related information into easily accessible files—is usually found only in larger computers. But you'll find it in the HP3000. It will generate forms, titles, pages and column headings, data sorted by categories, subtotals, totals and averages. So authorised people can call up just the facts they need in just the way they need them.

Look ahead with the HP3000. Reliability, service and obsolescence are legitimate concerns in this fast-moving technology. With 700 computer system Customer Engineers in 65 countries, Hewlett-Packard can take care of you quickly, here and abroad. But you won't always need an engineer if your HP3000 develops a memory fault because it has a 'fault control memory' which corrects its own errors while the computer is running, and remembers where they occurred. The engineer makes any necessary adjustments on his next routine call.

And you need have no worries about obsolescence with the HP3000. The operating system is so advanced that it enables you to upgrade as your business expands, without having to throw away your old programs. So, with the HP3000, you avoid the computer dilemma, now, and into the future. If you'd like to know more about this important advance in computer technology, the coupon will bring you details.



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Head Office Editorial & Advertisement Offices: BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Short-term expediency wins the day at Drax

BY MAX WILKINSON

Holding the line on pay

THE CHANCELLOR'S aim in his economic statement last week was to influence the climate within which pay settlements will be made after the present phase of the Government's pay policy expires at the end of this month.

Cash limits The Government will of course be expected to ensure that its new guidelines are generally observed in the public sector.

But it would clearly be unrealistic to expect to hold the line in the public sector if the general trend of settlements in private industry was turning out to be significantly higher.

breaches of the new guidelines may lie in the public sector. However, the only absolute rule Ministers are hoping to keep established is the twelve months' minimum period between pay increases.

In the public sector the Government can use the cash limit system to influence the trend of settlements as well as to try to preserve the 12 months rule.

In the pattern of wage negotiations means that, with the possible exception of the miners, there should be no major difficulty during the rest of this fiscal year.

DOCUMENT presenting a thoroughly unflattering picture of the British power engineering industry is currently being circulated by a foreign competitor to electricity authorities throughout the world.

Unfortunately British officials cannot even protest: most of the material was provided by their own Government in a report from the Think Tank (Central Policy Review Staff) last year.

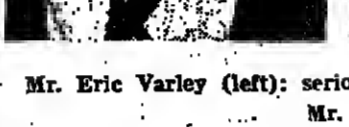
And who can blame any international company with a pressing need for power station orders if it advertises the lamentations and political wrangling which have engulfed its U.K. competitors?

Indeed, foreigners may marvel that the British Government's method of conducting industrial policy should leave a vital manufacturing sector so vulnerable just when it is fighting for its very survival.

At this stage ministers were not involved in the details, but the Department of Industry soon agreed that the NEDO proposals must be pressed forward.

Any judgment must start with the fact that all the essentials of the problem were in the hands of civil servants 13 months ago.

On June 2, 1976, the National Economic Development Office produced a report based on consultations with industry and the unions which showed that world and domestic power station orders would be insufficient to support the operations of the four U.K. companies at any



Mr. Eric Varley (left): serious failure.



Mr. Arnold Weinstock (centre): tough position.



Mr. Callaghan: visit to the North-East.

thing like their previous production level. The Central Electricity Generating Board was saying that it would not need to place another order until the beginning or even the middle of the 1980s.

The NEDO paper concluded that this policy could lead to the collapse of the industry and therefore suggested that a long-term steady ordering programme of 2,000 MW a year should be linked with rationalisation of the industry.

was to prevent Ministers led by Mr. Anthony Wedgwood Benn, the Energy Secretary, from adopting the short-term expedient to save jobs at Parsons and Babcock (where redundancies were most imminent) without the more unpalatable long-term measures.

Over Christmas the civil servants held a series of meetings among themselves, which resulted in complete agreement even from the Treasury on the main strategy outlined in the report.

vention was unnecessary. His company had a nearly full order book. Redundancies were needed in the industry so why not let them happen at Parsons as the current workload ran out?

After a tour of world utilities, Dr. Hawley was much more optimistic than the Department of Industry about the prospect of winning new export orders.

Nine in search of a fish policy

BRITAIN'S GENERALLY egocentric attitude towards the EEC is a source of continuing irritation to the other member countries.

Imposition of the ban until the end of this year was thus a relatively easy matter. For once, British and Community interests coincided, and the EEC Commission supported the U.K. line.

If, on the other hand, the U.K. shows less than total enthusiasm for the Commission's proposals, it will lose any credit it may have gained from the introduction of its own six-month ban.

countries traditionally fish for North Sea herring. The U.K.'s critics have already pointed out that the Government only started to get really interested in the ban after the end of the traditional peak British herring fishing season in January and February.

It is largely for this reason that the Dutch and the Germans now seem to be coming round to the idea of a ban—provided it lasts into the early months of 1978.

Both Governments are fully aware of the difficulty of conserving fish stocks without harming their own fishing industries, and both seem to be leaning towards conservation rather than giving the industry its head.

MEN AND MATTERS

Europe—a golfer's dream

A word of advice from across the Atlantic on how to deal with the EEC's dairy surplus has just come from Senator Russell Long, chairman of the Senate Finance Committee.

After pointing out to Agriculture Secretary Bob Bergland that 11 out of the top 12 finishers in the recent British Open Golf Tournament were Americans he suggested that Europeans convert acres of farmland into golf courses in what could be summed up as a policy of switching from milk to tee.

Replacing cows by caddies would at least give their people a competitive chance.

I don't know how Senator Long's suggestion will go down in Brussels but if the idea does strike a receptive chord Britain look well placed to give technical advice on the switch-over.

Sweden—and "By appointment to HM the Queen manufacturers of tennis courts"

With the Turf Institute looking over its shoulder En-tout-cas are lifting the top soil at Wimbledon, sterilising it in situ and then transporting it carefully to York where specialist turf growers, Rolawn, will actually grow the grass, if I may use such a generic word, before the precious green sward is returned to Wimbledon.

It would have taken a good deal less if all those tennis people were less fussy and showed the bold faith in new technology shown by the Nottinghamshire County Council. They have just commissioned En-tout-cas to build a porous polyurethane synthetic grass playing field for a new school.

I would like to see the cows eat that.

Make it loud, sell it big

While the record recording companies are tripping over themselves trying to tame and successfully commercialise Punk Rock reports from both the U.S. and Eastern Europe indicate that there is still plenty of mileage to be made out of the kind of highly commercial pop which the "punk" generation so astentiously scorn.



"Now is the summer of our discontent made winter by this son of York!"

According to ABBA's manager Stig Andersson they could have sold 2m. records if the Foles had had the currency to pay for them.

To get round this problem ABBA has just set up a joint venture with Sammes AB, an old established Gothenburg trading company, which imports oil from Eastern Europe.

The main limiting factor in selling Western pop behind the Iron Curtain is the existence of import quotas closely linked to the limited availability of foreign currency. This was highlighted by the Swedish pop quartet ABBA which recently cornered the entire Polish pop import quota of 800,000 lp's.

BBC's Match of the Day programme. Significantly enough, however, the purchaser is not one of the big three U.S. TV networks—but advertising agency J. Walter Thompson which, like other agencies, is finding it increasingly hard to get reasonable advertising time on U.S. TV these days and has turned to marketing its own programmes to some of the smaller stations as a means of ensuring commercial spots for its clients.

Let's call it . . .

Have you ever wondered how a pop record gets its name? If so the following account from the latest Phonogram newsletter will enlighten you.

The new solo album from the Rummur is titled 'Max'. Why Max? A gesture to Max Wall? Tribute to Max Bygraves? An allusive reference to WW2 German? No—once upon a time, a Stiff fellow called Nick Lowe noted a certain David Bowie titled his latest 12 inch, 'Low'. With just a hint of parody, Lowe equalised by calling his own LP 'Bowl'. Knowing of this, certain members of the Rummur observed that Fleetwood Mac had inadvertently titled their album, 'Rumours'. It was therefore appropriate that they should christen their own . . . 'Max'. Absolutely.

Sing on

I conclude a Men and Matters half dedicated to music with this epitaph to the good life planned on the coat of a street singer recently seen in Kensington: "I was living in the lap of luxury, and then it stood up." That's show-business.

emotional preference for Parsons to be controlled from Newcastle and not from London, and third they believed that if Parsons had to be taken over, only Government control of the new company would safeguard the long term interests of the industry.

Nevertheless the Parsons lobby was arguing from a position of some weakness at Christmas, so Dr. Hawley took the unusual and significant step of hiring a highly skilled public relations consultant and political lobbyist, Mr. Will Camp, to help him.

It is also clear that in January and February the civil servants badly underestimated the political strength of the "Parsons lobby" and the influence of the trade unions nationally and locally.

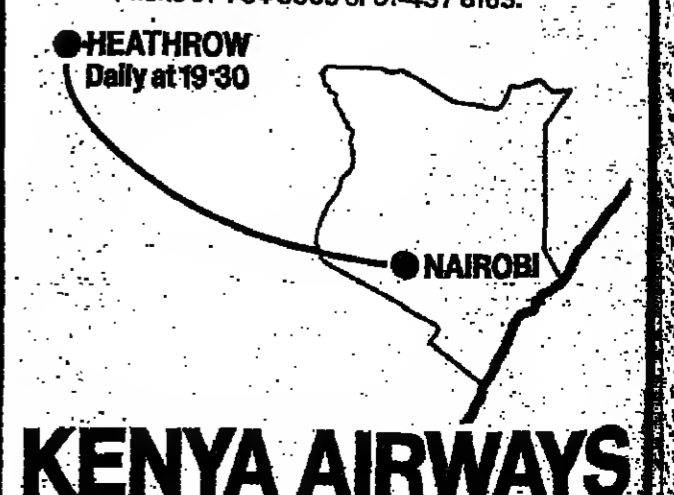
These and similar arguments, added to the general belief that GEC had superior management, soon persuaded the civil servants that Sir Arnold would have to have management and financial control of the new company.

Sir James Woodson, chairman of Reynolds Parsons, the parent company of C. A. Parsons, was persuaded to agree at least to the idea of selling out. Meanwhile, successful pressure was put on the Generating Board to be more flexible about ordering power stations in advance.

And in two years' time, unless Parsons can make a great improvement to its foreign outlook, the whole debate will have to be reopened.

'Kenya Airways announce the departure of their daily flight to Nairobi'

Fly to Kenya the Kenyan way! Flights leave London every day at 19.30 eff. May 1st. From July 1st to Sept. 30th there is an additional flight on Sundays.



HEATHROW Daily at 19.30 KENYA AIRWAYS

ECONOMIC VIEWPOINT

Making the worst of not too bad policy

to such things— even partially observed, wa...

King Lear TEMENT on Counter-Policy brings beck...

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The monetary guidelines will restrain prices and wages only

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The monetary guidelines will restrain prices and wages only

Guidelines

In a year such as 1978 when the desire to hold sterling falls with a thud, the British price level will rise sharply in any event.

Indeed the 116 per cent rise in the British price level since 1972 is more than explained by the compounding of the 60 per cent rise in the weighted price levels of the OECD countries (our main competitors) and the depreciation of sterling which has led to a 56 per cent increase in the price of the effective use of this foreign currencies.

The monetary guidelines will restrain prices and wages only

The measures in Mr. Healey's statement have little bearing on inflation either way. We should be thankful that some of the worst ideas, such as a repetition of the Heath freeze on nationalised industry prices or the use of the Price Commission to enforce a pay norm have been rejected, at least for the present.

The monetary guidelines would be relaxed, either overtly or by manipulating the definitions underwriting the currency depreciation.

There are two difficulties in putting over to people the idea of a virtuous circle. First, of all it is not the same as the present policy of Mr. Callaghan of defending the pound at \$1.72 against pressure in both directions.

Moreover, the way to secure a strong pound is to have an appropriate monetary policy, convince the world that you have one, and allow the actual rate to be determined by market forces—in other words to have a free float.

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Characteristically, the Chancellor is still changing his mind with optimistic statements. There is good reason to hope that the standard of living will not fall further next year. But hopes cannot be guaranteed; end it is really wise for the British Chancellor to lay himself open yet again to charges of breach of faith if there is, say, a deterioration in the terms of trade or any other piece of bad luck? And should not the Chancellor do more to emphasise that he is talking about the

exchange in propping up

Indexation

A large part of the tax concessions are spurious, moreover, as they no more than offset the effects of inflation in automatic increasing the burden of personal tax. Yet Treasury Ministers are going to oppose the amendments carried in Committee for the indexation of the personal allowances.

Official opposition to the amendments is ostensibly based on a minor drafting error in them. The Government will propose instead that it should publish a statement at Budget time of the indexed level of both the personal allowances and the specific duties.

There is, however, a great difference between a legal requirement and the mere intention, however sincere, of ephemeral holder of a particular ministerial office. Parliament

was promised in 1969-1970 estimates of revenue in future Public Expenditure White Papers; but the idea was quietly allowed to drop. The crossbench alliance of MPs who carried the original amendments should smoke out the nature of the drafting error, and insist that any further Treasury proposals are on a statutory basis. Otherwise the whole reform could well be lost.

They should also insist on indexation for items such as child benefits and income limits for free school meals. This would both enable MPs to keep watch on their actual value and force Ministers to distinguish between jerky adjustments to the progress of inflation and real increases.

These are not the trivial matters that the Treasury supposes them to be. Honesty in taxation is not a minor matter. But even in terms of wages it would surely do no harm for union leaders to know that wage increases in line with the cost of living would not be eroded by surreptitious increases in the tax burden. A wage claim designed to achieve a real income objective will be one quarter larger on the assumption that thresholds are unindexed than with tax indexation. (See Economic Viewpoint, February 12, 1976). Although union negotiators may not explicitly go through the tax arithmetic, it is wrong to suppose that they are unaware of tax considerations in the attitudes they take.

Ultimately, the rate of inflation depends on monetary policy and exchange rates; but wage claims and settlements have a great deal to do with the time lags involved and the amount of unemployment we have to undergo meanwhile.

Letters to the Editor

for ung rector of Department of

ael Ivens's letter about the new opportunities for is most welcome. The progress of the I have to be un- arly where we are sely new ground, for th training work here is always room- ch into fresh So far as his fear schemes providing 'market approach' is a success of the pro- depend very much nitive, and upon I know that the and the Manpower mmission certainly ention of imposing control or requir- ary uniformity. point refers to the young people to d to give them the go out and search range. Some ele- ew programme to develop this con- course we want as people as possible into worthwhile ork. This is where authorities' Careers sing a magnificent, only difficult, job in ing people at this employment. The have strengthened ith the addition of yment specialist on, in the secretary of State yment recently further 170 directly MSC programme. stressed the need ung people in the bers. The Com- anti-tank device, an- al, we hope, do pre- benefit of both ple and those who ing.

Square, S.W.1.

letters which you (July 14) in EEC membership enormous between the thinking nti-marketeers. Cohen, Head of ides at Strode s that Mr. Roy ght when he said tendum in 1975 final decision of ple on the question rket membership. Cohen and Mr. to have forgotten rment, of which s then a member, e Paper (Cmd. n the country the referendum. that this argu- cess is really bit- sky. These pollutants are landing on our crops and animals. Through milk end grain, vegetables, etc., wa must be ingesting quantities of sulphur dioxide. The ironic thing about coal-burning to produce electricity is that it fouls the air so much that its clouds prevent

us getting heat in a natural way from the sun.

These are the secondary costs of the coal/electricity equation which the CEBG ignores. The primary, obvious costs we can out of the new State Pensions Scheme, and the legal requirement to consult with recognised Trade Unions, the OPE and their reporters couch their phrases in terms which suggest that employers are shilly-shallying unnecessarily over consultation due to lack of concern or inefficiency. Today it is very expensive and necessarily be caught with their trousers down.

Neither the Social Security (Pensions) Act nor the Employment Protection Act defines the meaning of the consultation required and a recent excellent publication by the Workers' Educational Association suggests that it may lead to both sides jointly examining and discussing the financial and industrial relations implications of the decision whether to contract in or out of the state scheme and it must involve a willingness to arrive at a mutually acceptable solution through a genuine interchange of views and information.

Any employee relations manager (particularly in a labour intensive industry) ought to recognise that such consultation will rapidly escalate to full collective bargaining unless the employer has the improved pension scheme, or the institution of one where none currently exists. Particularly since employment conditions have been subject to severe control and pensions seem to be

agreed to be exempt in the next phase (if one can be agreed).

Even the minimum schemes may cost an employer 8 per cent of payroll and therefore it is most important that any concession is accepted by employees and their representatives as part of the total package of agreed improvements to conditions of employment, exchanging deferred pay for money in their pockets now.

Two months ago it was likely that the expected wage settlement level would be low (say 6 per cent) and an employer who had started consultation/negotiation might have been prepared to concede improved pensions. Now however the permitted wage increase may be considerably higher and those employers might be committed to improving pensions to an extent that retraction now would cause major employee relations problems.

I believe it has been sensible for employers justly concerned over the effects of high payroll inflation on their business and possible increased unemployment to await the result of discussion between the Government and the TUC (and the aftermath) before launching negotiations on pensions.

The OEB may well find themselves overworked in the very near future rather than later in the year as employers, who they think have been shilly-shallying, get to grips with the new wage policy and build their negotiating stance on pensions into the context of their wage bargaining results.

M. D. Carr. Louisafield, Cornwall.

shows that if our exports, to the Community had grown at the same rate as our exports to the rest of the world, our total export figure would have been £2.2bn. lower than now, at a cost of perhaps 450,000 jobs." Mr. Wistrich is tacitly assuming that there had been no exports outside the Community despite the loss of preferences in the Commonwealth and EFTA, and that there has been no increase in British imports of manufactures from the Community as a result of our membership. To my mind, it would be just as reasonable to assume that membership has led to no increase in our exports to the Community, and that the relative slowness in the growth of our exports to the rest of the world is, only due to the loss of preferences there. On this basis one can estimate that our total export figures would now be £4.9bn. higher if we had not joined, so that membership has "cost" about a million jobs. This calculation is no more absurd than the "estimate" quoted by Mr. Wistrich.

John Kissin, 38, Grosvenor Road, Reading.

People bomb From the co-ordinator of the Campaign Against Arms Trade

Sir—Writing about the American neutron bomb, David Fishlock says (July 13), "Exposure to high-energy neutrons is one of the speediest and surest methods of killing... Herein lies the ultimate military attraction of the weapon... Enemy armour will prove no barrier to neutron bombs." A few pages further on, in the secretary of State's recent report, the U.S. defence department feels that the neutron bomb "could be especially suitable as an anti-tank device."

The neutron bomb is by no stretch of the imagination an anti-tank device, and Mr. Fishlock at least recognises this. It would not have the slightest effect on tanks, enemy or otherwise. It would have a very great effect on the people in the target, and on everyone else in the vicinity—friendly, soldier, civilian, young or old.

So long as these weapons are defined as anti-tank, anti-aircraft, anti-submarine, or whatever, we will cloak their essential nature—which is anti-people.

Sandy Merritt, 5, Caledonian Road, N.1.

Coal and electricity From Miss M. Watchorn

Sir—Before there is any more pressure for the ravaging of the Vale of Belvoir and the hindering of a coal-fired Drax power station (July 11) we—the payers of the bills in money and health—are entitled to an independent cost-benefit analysis.

The CEBG has a policy of reluctant dispersal via high chimneys. I live in the Trent valley nine miles north-east of Rotherham on Soar power station—once the largest and the most efficient of our age. A far better solution would be for the Government now to withdraw its political objections to current purchasing power accounting. Four years have been lost. Let us not waste any more time.

B. R. Myddleton, Crimfield, Bedford.

From Mr. Stanley Hall

Sir—The vote at the special meeting of the Institute of Chartered Accountants will no doubt be hailed as a decision for or against inflation accounting. This in itself represents a considerable victory for confusion and for the Sandilands Committee.

Accounting reports can be based upon historic transaction data or on values. Both kinds

recently expressing the concern of the Occupational Pensions Board that employees are apparently attaching low priority to the decision to contract in or out of the new State Pensions Scheme, and the legal requirement to consult with recognised Trade Unions, the OPE and their reporters couch their phrases in terms which suggest that employers are shilly-shallying unnecessarily over consultation due to lack of concern or inefficiency.

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Any employee relations manager (particularly in a labour intensive industry) ought to recognise that such consultation will rapidly escalate to full collective bargaining unless the employer has the improved pension scheme, or the institution of one where none currently exists. Particularly since employment conditions have been subject to severe control and pensions seem to be

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M. D. Carr. Louisafield, Cornwall.

Occupational pensions From Mr. M. D. Carr

Sir—There have been many articles in the national Press

of reports can incorporate adjustments for inflation and both can ignore inflation, that is, treat one pound as equal to any other whatever the date involved. The nonsense of assessing economic data without paying attention to the fact that our measuring unit has changed its value is stupid in value accounting as it is in historic cost accounting.

Critics will find pleasure in the present confusion of the Institute. The source of that confusion is in the Sandilands Report. The accountancy profession is not the originator. The banks pleading a "special case" hardly make an impressive sight. They could, however, rightly assert that no "special case" would be needed if a system of inflation accounting had been proposed. The distortion in bank reports would have been corrected along with the general pattern.

Let the blame for the present confusion rest firmly on the committee who created it, not Morpeth but Sandilands.

Stanley Hall, 93, Cecil Avenue, Bradford, Yorkshire.

From Mr. M. P. Spear

Sir, It is evident from the correspondence and attendant articles in your paper on this subject that the U.K. profession is in considerable turmoil which does it little credit in the eyes of fellow professionals overseas who, according to Michael Laferty (June 30, Accountancy Survey), should acknowledge it as "one of the most respected in the world."

It is forecast that on July 6 the resolution against the compulsory use of CCA in any form will be carried by a (small) majority, largely as a result of failure by the profession's standard setting authorities to sufficiently canvass opinion in all sections of industry. Look Kokerlaan 14, Overijse, Belgium.

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The current cost accounting debate From Professor D. R. Myddleton

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To-day's events

Mr. Eric Varlay, Industry Secretary, announces details of Government's new product and process development incentive scheme.

Index of industrial production for May published.

Mr. Andrew Young, U.S. Ambassador to United Nations, arrives in Britain.

EEC Finance Ministers meet in Brussels.

EEC Agriculture / Fisheries Ministers begin two-day meeting.

Windsale public inquiry resumes, Whitehaven.

European Court ruling that London, opens five-day City

Ireland's present fishing restriction

House of Commons: Debate on EEC affairs, Motions on energy, the Community Budget and the European Regional Development Fund, Police (Amendment) (No. 2) Regulations.

House of Lords: Price Commission Bill, report and third reading, Coat Industry Bill, committee. Debate on preliminary draft of 1978 EEC Budget.

OFFICIAL STATISTICS Retail sales (June, provisional). Construction new orders (May). COMPANY RESULTS Rank Organisation (half-year). COMPANY MEETINGS See Week's Financial Diary on page 17.

PARLIAMENTARY BUSINESS

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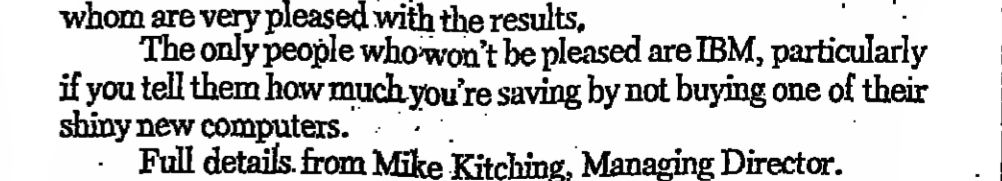
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We're the No. 1 supplier of plug-in alternatives to IBM disk-drives, tape units, printers, terminals and memories.

Of course, we're not as big as IBM (who is?) but our reputation is high, particularly with sophisticated computer users like Vauxhall Motors, Mobil Oil, Lloyds & Scottish Finance, Reyrolle Parsons, Burmah-Castrol, GKN, British Sugar, AC Nielsen Research, Baker Perkins, Harro Industries, and the Stock Exchange, all of whom have stretched their IBM systems with our memories and all of whom are very pleased with the results.

The only people who won't be pleased are IBM, particularly if you tell them how much you're saving by not buying one of their shiny new computers.

Full details from Mike Kitching, Managing Director. Telex Computer Products UK Ltd., 213 Oxford Street, London W1. 01-784 9181.



Employees feel 'making'... netable... or cod war

Ending dividends... netable

Table with columns: Date, Dividend, Company Name, Amount

Public Works Loan Board rates

Table with columns: Rate, Term, Description

ENT ISSUES

Table with columns: High, Low, Stock Name, Price

FIXED INTEREST STOCKS

Table with columns: High, Low, Stock Name, Price

"RIGHTS" OFFERS

Table with columns: Date, High, Low, Stock Name, Price

BASE LENDING RATES

Table with columns: Bank Name, Rate, Term

INTERNATIONAL COMPANY NEWS

IBM accelerates earnings growth in second quarter

HAVING disappointed analysts... IBM's gross income for the second quarter of 1977 amounted to \$1.23bn...

Rising Crown Zellerbach

SAN FRANCISCO, July 17. Zellerbach's earnings for 1977 should be well ahead of the \$3.88 a share of 1976...

Comfin's liquidity

COMFIN Australia, the Brisbane-based financier which is the subject of a wind-up petition in the Brisbane supreme court...

Zausner voting on merger

ZALNER Foods Corp. has called a special meeting of shareholders for August 4 to vote on the merger with Bongrain Foods Corp...

Money and Exchanges

Bank of England Minimum Lending Rate 8 per cent. Conditions were rather quiet in the London money market last week...

FOREIGN EXCHANGES

Table with columns: Bank, Market Rates, Date

EXCHANGE CROSS-RATES

Table with columns: City, Exchange Rate, Date

EURO-CURRENCY INTEREST RATES

Table with columns: Currency, Interest Rate, Term

MINING NOTEBOOK

Gold, Seltrust and the Northgate riddle

THERE IS plenty to talk about this week. The gold price is behaving well; the South African producers' June quarterly reports are due...

Stuart Shelf

The Selection Trust story emanating from Perth concerns the group's exploration of the Stuart Shelf area of South Australia...

Rescue operation

That Canada's Northgate Exploration would be gobbled up one of these days owing to its fat wallet (\$62m or \$15.3m at the last count) is a theory that has often been heard...

INSURANCE

LAST WEEK saw the start of a new insurance advertising campaign which is scheduled to continue for four months, ending about mid-November...

Oxfam's income slips £225,000

OXFAM's income for 1976-77 was some £225,000 lower than the previous year. Mr. Hugh Belshaw, finance director, told the annual meeting in Oxford at the weekend...

Allotments could cut food bill

MILLIONS of pounds could be saved on Britain's food import bill if local authorities would provide allotments...

Duke's Award entrants up

THE WORLDWIDE number of conservation group said that their research showed that there were 20,000 acres of derelict land in London alone...

London tea sales

At the tea sale held in London last week, 100,000 packets of tea at an average price of 18.15p per packet compared with 102.0p at the previous sales and against 96.0p a year ago...

LOCAL AUTHORITY BOND TABLE

Table with columns: Authority, Annual Interest, Minimum Life, Bond

OVERSEAS MARKETS

BY MARY CAMPBELL

Subdued close to a week of clear strength

THE DOLLAR sectors of the market ended last week on a subdued note with the volume of paper on offer standing at below \$30m. and only one new issue, \$40m. for Telefonos Mexicanos, due to be announced over the week-end.

On the face of it, there is no question but that all sectors of the market (except Canadian dollars) are currently looking strong or very strong. There was reportedly less demand for U.S. dollar bonds in the secondary market last week than had been the case the week before, but the market was by no means inactive and prices hardly fell.

Moreover demand for the new issues which closed with a clearly substantial - most had their terms changed in the course of the offering period and all opened steadily in the after-market.

(the issue had already been increased from \$40m. to \$50m. the previous week), Hydro Quebec was increased from \$100m. to the final \$125m., while Fisons, which closes today, saw a cut in the indicated coupon from 9 to 8 1/2 per cent. Both Quebec Hydro and Fisons were accelerated by a couple of days.

Of the issues which started trading last week, Fiat (an exception to the general trend in that its terms were not changed) traded firmly between 98 and 99, while Selection Trust, even after falling back a bit in the time trading on Friday, closed around 98 1/2.

Of the two most recent issues in the D-mark sector, the City of Montreal ended the week at around 100 1/2 after starting trading on Tuesday around par following a quarter point coupon cut. The Norwegian issue closed the week between 100 and 100 1/2 in its offering price from the 98 1/2 per cent. originally indicated.

Amidst varying explanations of why the dollar sector is holding up so well despite the weakness of the currency, there are two points on which Eurobond issues seem to be agreed.

One, of temporary significance, is that the market is getting per cent. originally indicated on holiday earlier and for longer than usual this year. The other, which is correct could well be significant for some time to come, is that there is a dreadful shortage of borrowers.

The preponderance of British, Italian and less developed country names on the list of current issues in the table would have been difficult to imagine even a few months back. Of the major OECD borrowing countries in the last 18 months, the French have slowed their rate of borrowing right down, while the Swedes and Norwegians are thought to have raised enough for some time at least. In general, the boom in new issues in the last two years seems to have satisfied many borrowing requirements.

One issuing house commented that an issue it had planned to bring had been pulled out by the borrower at the last minute because it did not need the money. "If you can bring me a decent borrower, I'll give you enough of a fender's fee to retire on," another issuer said.

There is some suggestion that the Kao Soap offering might mark a re-awakening from the standard 6 per cent coupon level on Japanese convertibles. This issue is due for announcement on Thursday.

The European Coal and Steel Community's French franc issue does not mark a reopening of the Euro-franc sector - the issue is being made on the domestic market. The announcement of a completed \$20m. floating rate note issue for Jugobank last week on terms which mark a big departure in this sector has raised again the question of the use of the FRN instrument as a form of syndicated loan. In the case of Yugoslav a special situation arises from the clause in a new dating back to last March which effectively prevents Yugoslav borrowers from agreeing to a number of the standard terms of syndicated loan agreements.

There are believed to be several loans to Yugoslavia borrowers on the stocks but according to commercial banking sources they cannot be lent because of this new lending money to Yugoslav borrowers in the form of a floating rate note gets round the legal problem while the terms of the Yugoslav issue which include a one point spread over LIBOR instead of the usual quarter point, would seem to come pretty close to what the same borrower would have to pay on a syndicated loan. From a point of view of the bond market however, the issue, like one or two others, is not expected to be very relevant since little if any trading is expected.

Apart from those listed in the table, the few issues due for announcement in the near future include Dresdner Bank's long-mooted DM200m. issue for Spain, a Lux.Frs.500m. offering for the European Investment Bank and a \$20m. 15-year convertible from Kao Soap with Daiwa Securities as the Spanish DM200m. deal is due for announcement on Tuesday and the market expects a 7 per cent. coupon on a seven-year maturity, while the terms of the EIB's Luxembourg franc offering are likely to include a ten-year maturity with a purchase fund and an 8 1/2 per cent. coupon.

There is some suggestion that the Kao Soap offering might mark a re-awakening from the standard 6 per cent coupon level on Japanese convertibles. This issue is due for announcement on Thursday.

The European Coal and Steel Community's French franc issue does not mark a reopening of the Euro-franc sector - the issue is being made on the domestic market. The announcement of a completed \$20m. floating rate note issue for Jugobank last week on terms which mark a big departure in this sector has raised again the question of the use of the FRN instrument as a form of syndicated loan. In the case of Yugoslav a special situation arises from the clause in a new dating back to last March which effectively prevents Yugoslav borrowers from agreeing to a number of the standard terms of syndicated loan agreements.

There are believed to be several loans to Yugoslavia borrowers on the stocks but according to commercial banking sources they cannot be lent because of this new lending money to Yugoslav borrowers in the form of a floating rate note gets round the legal problem while the terms of the Yugoslav issue which include a one point spread over LIBOR instead of the usual quarter point, would seem to come pretty close to what the same borrower would have to pay on a syndicated loan. From a point of view of the bond market however, the issue, like one or two others, is not expected to be very relevant since little if any trading is expected.

CURRENT EUROBOND ISSUES

Table with columns: Borrowers, Amount, Maturity, Coupon, Price, Lead manager. Lists various international bond issues.

BONDTRADE INDEX

Table with columns: July 15, July 8, High, Low. Shows bond trade index values.

Indices

Table of stock indices for New York, Montreal, Toronto, and Johannesburg.

N.Y.S.E. ALL COMMON

Table of NYSE All Common stock prices and indices.

GERMANY

Table of German stock prices and indices.

JOHANNESBURG

Table of Johannesburg stock prices and indices.

AUSTRALIA

Table of Australian stock prices and indices.

PARIS

Table of Paris stock prices and indices.

OVERSEAS SHARE INFORMATION

Large table listing various overseas share prices and indices for companies like Anglo American, Anglo Coal, Anglo Petroleum, etc.

CANADA

Table of Canadian stock prices and indices.

AMSTERDAM

Table of Amsterdam stock prices and indices.

TOKYO

Table of Tokyo stock prices and indices.

OSLO

Table of Oslo stock prices and indices.

COPENHAGEN

Table of Copenhagen stock prices and indices.

BRUSSELS/LUXEMBOURG

Table of Brussels/Luxembourg stock prices and indices.

SWITZERLAND

Table of Swiss stock prices and indices.

STOCKHOLM

Table of Stockholm stock prices and indices.

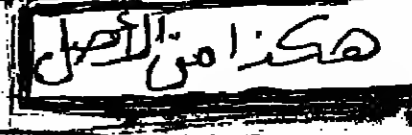
MILAN

Table of Milan stock prices and indices.

TEL AVIV

Table of Tel Aviv stock prices and indices.

Vertical text on the right edge of the page, possibly from an adjacent page or a sidebar.



AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Main table listing various unit trusts and offshore funds with columns for name, manager, and performance data.

FINANCIAL TIMES STOCK INDICES

Table showing stock indices for various regions and time periods.

HIGH AND LOWS S.E. ACTIVITY

Table showing high and low values for various securities and activity in the S.E. region.

T-ACTUARIES INDICES

Table showing actuarial indices for various categories.

DRE HONG KONG

Table listing DRE Hong Kong securities and their prices.

INSURANCE, PROPERTY, BONDS

Large advertisement section for insurance, property, and bonds, including company names and contact information.

CLIVE INVESTMENTS LIMITED advertisement with contact details and index information.

INSURANCE BASE RATES advertisement showing rates for property growth and Cannon Assurance.

CORAL INDEX: Close 451.456

Insurance base rates: Property Growth 10%, Cannon Assurance 5%.

Businessman's Diary

U.K. TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	British Genius Exhibition (cl. Oct. 30)	Battersea Park S.W.11
Current	Silver Jubilee Exhibition (cl. Sept. 4)	Hyde Park, W.1
Current	Lighting Exhibition (cl. July 21)	Leeds
Current	Harrogate Gift Fair (cl. July 21)	Harrogate
July 19-21	Royal Welsh Show	Bull's Wells
July 19-21	East of England Agricultural Show	Peterborough
July 24-31	Cycling and International Cycle Show	Harrogate
July 25-30	Brighton Antiques Fair	Brighton
Aug. 4-20	Birmingham Int. Ideal Home Show	Nat. Exbn. Centre, B'ham.
Aug. 14-18	British Musical Instrument Trade Fair	Bloomsbury Centre Hotel
Aug. 14-18	International Gifts Fair	Olympia
Aug. 22-25	Construction Plant & Commercial Transport Exbn.	Belfast
Aug. 22-25	Education & Communication Technology Exbn.	Holland Park School
Aug. 27-Sept. 3	Motor Cycle Exhibition	Baris Court

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
July 25-30	International Engineering Exhibition	Melbourne
Aug. 19-28	International Trade Fair	Melbourne
Aug. 21-23	International Men's Fashion Week	Cologne
Aug. 26-29	International Horticultural Fair	Ghent
Aug. 28-Sept. 4	International Radio and TV Exhibition	Berlin
Aug. 29-31	International Fair	Frankfurt
Aug. 29-Sept. 2	International Packaging & Food Processing Exbn.	Johannesburg

BUSINESS AND MANAGEMENT CONFERENCES

Date	Title	Venue
July 20	AMR International: Export Finance in Foreign Currencies	Intercontinental Hotel, W.1
July 21	Institute of Marketing: Integration of Sales and Planning	Royal Lancaster Hotel, W.2
July 21	Economic Models: U.K. Chemical Industry Forecasts	30, Old Queen St. S.W.1
July 24-29	Fifth Commonwealth Law Conference	Edinburgh University
July 25-26	World Trade Institute: Assimilating Stress Tension	World Trade Centre, E.1
July 25-29	Coverdale: Practice of Management Principles	Brookhurst, Hants.
July 27	British Institute of Management: Employee Participation and the Disclosure of Information	Parker St. W.C.2
July 27	Brunei University: Motivation at Work	Uxbridge
Aug. 8-12	Abraxas: Synetics—Innovative Skills	68, Churchway, N.W.1
Aug. 9-11	Marketing Improvements: Finance for Marketing Management	Holiday Inn Hotel, N.W.3
Aug. 15	Production Engineering Research Association: Management Techniques	Melton Mowbray

This week in Parliament

TO-DAY
Commons—Supply day debate on EEC affairs and motions on energy, the Community Budget and 'European' Regional Development Fund. Motion on Police (Amendment) (No. 2) Regulations.
Lords—Price Commission Bill, report stage and third reading. Coal Industry Bill, committee stage. Debate on preliminary draft 1978 EEC Budget.
Select Committees—Procedure Committee. Subject: The Select Committee. Structure. Witness: Sir John Ede, MP. Room 15, 6.45 p.m.

TO-MORROW
Commons—Debate on problems of large towns and cities. Motions on Northern Ireland Orders on preferential payments in insolvency, legal aid, advice and assistance and criminal damage (compensation).
Lords—Employment Protection Bill remaining stages. Torts (Interference with Goods) Bill. Commons amendments. Control of Office Development Bill, remaining stages. Local Authorities (Restoration of Work Powers) Bill, committee stage.

DEBATE ON EEC COMMON COMMERCIAL POLICY
Debate on EEC report on ethyl alcohol.

WEDNESDAY
Commons—Debate on counter-inflation. Price Commission Bill and Water Charges Equalisation Bill, consideration of Lords amendments.
Lords—Debate on the economic situation.
Select Committees—Nationalised Industries, Sub-committee 'C'. Subject: Regional Water Authorities. Witness: Wessex Water Authority, Room 8, 4 p.m.

THURSDAY
Commons—Finance Bill, continuation of report stage.
Lords—British Linen Bank Order Confirmation Bill, remaining stages.
Criminal Law Bill, Commons amendments.
Post Office Bill, remaining stages.
Northern Ireland Emergency Provisions (Amendment) Bill, remaining stages.
Debate on the Bermuda Agreement.

FRIDAY
Commons—Finance Bill (Lords) and Administration of Justice Bill (Lords), report and third reading.
Northern Ireland (Emergency Provisions) Bill (Lords) and Employment Protection Bill (Lords), second reading.
Protection from Eviction Bill (Lords), Rent Bill (Lords), remaining stages.
Motion on Iron and Steel (Borrowing Powers) Order.
Lords—Price Commission Bill, Commons message.
Housing Homeless Persons Bill, committee.
Amendment of the Hops Marketing Scheme.
Family Income Supplement Regulation.
Three Weights and Measures Acts Orders.
Three Social Security Regulations.

APPOINTMENTS

Changes among Hambro Life executives

Mr. M. S. Lipworth, at present corporate, legal and property director, has been appointed deputy managing director of HAMBRO LIFE ASSURANCE. Mr. A. P. Letch, Mr. M. F. Murray and Mr. D. F. A. Pell have been made executive directors. Mr. L. W. Bleakham, Mr. C. V. D. Davies, Mr. A. McCallisto, Mr. W. J. T. Ross and Mr. S. Myers have become area directors.

Mr. Jonathan S. Linn has been appointed regional vice-president, U.K. and Ireland, Germany, Austria and Switzerland, of AMERICAN EXPRESS, following reorganisation of the company's retail travel division. His previous responsibilities covered the U.K. and Ireland only. Mr. Ken Fleming has been made director, retail travel U.K. from director, retail travel, London area.

Sir Geoffrey Wilson, a former Permanent Secretary in the Ministry for Overseas Development, has become chairman of OXFAM in succession to Mr. Michael Rowntree, who has completed his constitutional term of six years in that post.

Mr. H. B. Greenborough, deputy chairman and managing director, has been appointed chairman of the governing body of ASHRIDGE MANAGEMENT COLLEGE. He succeeds Sir Ralph Bateman, who becomes vice-president of the College.

Mr. Sumio Fukuishi, managing director of NOMURA EUROPE N.V. and general manager of the London office, will return to Japan in August to take up a new post as general manager of the international investment department. Mr. Fukuishi's successor will be Mr. Masaki Kurokawa, currently senior vice-president of Nomura Securities Inc., New York.

Mr. Alexander S. Reid has been appointed to the Board of ENGLISH AND INTERNATIONAL TRADING, a company managed by Drayton Montagu Portfolio Management.

Mr. D. C. Bates and Mr. J. A. Clave have been appointed directors of GLANVILLE ENGINEERING & CO. (UNDERWRITING), part of the Charterhouse Group.

Mr. R. H. Watson, at present an executive local director of Barclays Bank London Northern District, has been appointed an executive director of BARCLAYS MERCHANT BANK.

Sir Andrew Maitland-Magill-Crichton has joined the Board of STAFLEX INTERNATIONAL as a non-executive director.

BRITISH INSTITUTE OF MANAGEMENT City Branch, has made the following appointments for 1977/78. Chairman: Mr. Michael Clapham (senior executive, Midland Bank); vice-chairman: Mr. Peter Paul-Hinac (chairman, Traffic Safety Systems); hon. secretary: Mr. Ian Neilson (Clerk to the Governors, Cripplegate Foundation); hon. treasurer: Mr. Reg Cook (Group financial director, Proprietors of Hay's Wharf). President of the Branch is Mr. Robert Folt, chief executive of the Stock Exchange, the previous chairman, Mr. H. H. Rath, remains a Committee member.

Mr. S. C. Mountjoy (L. M. Fishel & Co.) has been appointed president of the FEDERATION OF OILS, SEEDS AND FATS ASSOCIATIONS. Mr. W. R. Pick (E. G. Cornelius & Co.) has been made vice-president, and Mr. J. E. Anderson (G. M. Anderson Marketing Board) has become honorary treasurer.

Mr. Peter Fenimore has been appointed commercial director, WYETH LABORATORIES. Fenimore joined the company in 1958.


Braby Leslie, which recently acquired the whole of the issued share capital of E. C. PAYTER AND COMPANY has announced four additions to that company's local Board. They are Mr. A. H. Atkinson (chief executive, Braby Leslie); Mr. H. Pilkington (director, Braby Leslie); Mr. E. H. York (secretary, E. C. Payter & Company); and Mr. D. C. Hale (sales manager, E. C. Payter & Company).

Mr. John E. Colman, chairman of the Colman Group, has been elected second vice-president of the ACRICULTURAL ENGINEERS ASSOCIATION.

Following its acquisition by Harbry, the following Board changes have been made at W. B. J. ENGINEERING. Mr. W. Blackwell Senior, Mr. W. Blackwell Junior and Mr. B. J. Hewitt have left W.B.J. The Board of which now comprises Mr. E. Bor (chairman), Mr. E. Stott, Mr. I. J. Goldberg and Mrs. E. Paul.

BROWN SHIPLEY INSURANCE SERVICES has been organised into the following divisions under the Executive Committee (chairman Mr. R. E. Ames): each division having its own Management Committee: U.K. and Europe Division: Mr. A. C. Yeo (chairman), Mr. P. J. Blake, Mr. M. T. Carrawell, Mr. A. C. D. Ingleby-Mackenzie and Mr. D. C. McIntosh; Mr. G. Ray and Mr. A. G. Robson, Marine and International Division: Mr. D. C. McIntosh (chairman), Mr. J. G. Chapman, Mr. G. A. Clark, Mr. A. C. D. Ingleby-Mackenzie, Mr. E. A. Rudwell, Mr. R. W. Thayer, Mr. A. C. Yeo, Underwriting Division: Mr. J. G. Chapman (chairman), Mr. E. W. Andrew, Mr. A. C. Yeo, Services Division: Mr. A. G. Robson (chairman), Mr. J. G. Chapman, Mr. A. D. Edwards, Mr. D. C. McIntosh, Mr. J. Manning.

Mr. Tony Goodman has been appointed marketing director of JOHNSON AND SONS. Mr. Goodman was previously with B. and M. Rayne as merchandise manager.



UNION BANK

Is pleased to announce that its European Representative Office has moved to new premises:-

1 College Hill
London, EC4R 2RA
Telephone: 01-248 6791
Telex: 8811321

INVEST IN 50,000 BETTER TOMORROWS

50,000 people in the United Kingdom suffer from progressive paralyzing MULTIPLE SCLEROSIS—the cause and cure which are still unknown—HELP US BRING THEM RELIEF AND HOPE.

We need your donation to enable us to continue our work for the CARE and WELFARE OF MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH.

Please help—Send a donation today to:
Room F.I.
The Multiple Sclerosis Society of G.B. and N.I.
4 Tachbrook Street,
London SW1 1SJ


The growing strength of HOGG ROBINSON

Results year ending 31 March	1977	1976
Turnover	24,544	18,747
Being:		
Insurance Broking: United Kingdom	13,396	10,661
Overseas Subsidiaries	5,300	3,997
Lloyd's Underwriting Agencies	1,598	1,240
Shipping, Forwarding & Travel Agencies	4,250	2,849
Profit Before Taxation	8,064	5,933
Being:		
Insurance Broking	3,785	2,794
Lloyd's Underwriting Agencies	1,314	1,000
Shipping, Forwarding & Travel Agencies	296	157
* Investment Income and Profits on Sales	1,873	1,357
Share of Associated Companies	591	390
Exchange Gains on Consolidation	205	235
Profit Attributable to Shareholders	3,993	3,065
After deduction of:		
Taxation	3,802	2,850
Minority Interests	269	237
Extraordinary Profits	—	(219)
Dividends	1,244	676
Retained Earnings	2,749	2,389
Earnings Per Share	18.28p	13.85p
Dividends Per Share	5.525p	3.38p

36% PRE-TAX PROFIT GROWTH

Commenting on the results, the Group Chairman and Chief Executive, Mr. Morris Abbott, said:

"This is the sixth consecutive year of earnings growth with pre-tax profits increasing this year by 36 per cent. A significant feature of our performance was that all parts of the Group contributed through increased business and by reducing expense ratios. Some 55 per cent of our broking income was received in foreign currencies and, whilst the greatest profit growth has come from our international and overseas operations, United Kingdom Companies also have achieved excellent results. Underwriting Agencies have made a worthwhile contribution, particularly as the 1974 account in general produced poor underwriting results. Our travel and freight operations have almost doubled their profits, partly as a result of our increased investment in this area."



HOGG ROBINSON

The Board is recommending a final dividend of 2.275p net per share, which with the interim dividend paid in March makes a total of 5.525p.

Hogg Robinson Group Ltd, Lloyds Chambers, 9-13 Crutched Friars, London EC3N 2JS. Tel: 01-248 6791. Telex: 8811321

All of these Securities have been sold. This announcement appears as a matter of record only.

\$40,000,000

DSM

(Naamloze Vennootschap DSM)

A corporation wholly-owned by the State of The Netherlands

8¼% Debentures Due 1987

AMSTERDAM-ROTTERDAM BANK N.V.		MORGAN STANLEY INTERNATIONAL	
ABU DHABI INVESTMENT CO.	ALAHLI BANK OF KUWAIT (K.S.C.)	ALGEMENE BANK NEDERLAND N.V.	ARNHOLD AND S. BLEICHOEDER INC.
A. E. AMES & CO.	AMEX BANK	ANDRESENS BANK A/S	ARNHOLD AND S. BLEICHOEDER INC.
BANCA COMMERCIALE ITALIANA	BANCA DEL GOTTARDO	BANCA NAZIONALE DEL LAVORO	BANCA NAZIONALE DEL LAVORO
BANCO DI ROMA	BANK JULIUS BAER INTERNATIONAL	THE BANK OF BERMUDA	THE BANK OF BERMUDA
BANK GUTZWILLER, KURZ, BUNGENER (OVERSEAS)	BANK LEU INTERNATIONAL LTD.	BANK MEES & HOPE NV	BANK MEES & HOPE NV
BANK MORGAN LABOUCHERE N.Y.	BANKERS TRUST INTERNATIONAL	BANKERS TRUST INTERNATIONAL	BANKERS TRUST INTERNATIONAL
BANQUE ARABE ET INTERNATIONALE D'INVESTISSEMENT (B.A.I.)	BANQUE BRUXELLES LAMBERT S.A.	BANQUE BRUXELLES LAMBERT S.A.	BANQUE BRUXELLES LAMBERT S.A.
BANQUE FRANCAISE DU COMMERCE EXTERIEUR	BANQUE GENERALE DU LUXEMBOURG S.A.	BANQUE GENERALE DU LUXEMBOURG S.A.	BANQUE GENERALE DU LUXEMBOURG S.A.
BANQUE DE L'INDOCHINE ET DE SUEZ	BANQUE INTERNATIONALE A LUXEMBOURG S.A.	BANQUE INTERNATIONALE A LUXEMBOURG S.A.	BANQUE INTERNATIONALE A LUXEMBOURG S.A.
BANQUE NATIONALE DE PARIS	BANQUE DE NEUFLIZE, SCHLUMBERGER, MALLET	BANQUE DE NEUFLIZE, SCHLUMBERGER, MALLET	BANQUE DE NEUFLIZE, SCHLUMBERGER, MALLET
BANQUE DE PARIS ET DES PAYS-BAS	BANQUE DE PARIS ET DES PAYS-BAS (SUISSE) S.A.	BANQUE DE PARIS ET DES PAYS-BAS (SUISSE) S.A.	BANQUE DE PARIS ET DES PAYS-BAS (SUISSE) S.A.
BANQUE POPULAIRE SUISSE S.A. LUXEMBOURG	BANQUE ROTHSCHILD	BANQUE ROTHSCHILD	BANQUE ROTHSCHILD
BARCLAYS BANK INTERNATIONAL	BARING BROTHERS & CO.	H. ALBERT DE BARY & CO. N.Y.	H. ALBERT DE BARY & CO. N.Y.
BAYERISCHE VEREINSBANK	BERGEN BANK	BERLINER HANDELS-UND FRANKFURTER BANK	BERLINER HANDELS-UND FRANKFURTER BANK
BREISACH PINSCHOFF SCHOELLER	BROWN HARRIMAN & INTERNATIONAL BANKS LTD.	BROWN HARRIMAN & INTERNATIONAL BANKS LTD.	BROWN HARRIMAN & INTERNATIONAL BANKS LTD.
CAISSE DES DEPOTS ET CONSIGNATIONS	CAZENOVE & CO.	CENTRALE RABOBANK	CENTRALE RABOBANK
CHRISTIANIA BANK OG KREDITKASSE	CITICORP INTERNATIONAL GROUP	COMMERZBANK	COMMERZBANK
COMPAGNIE DE BANQUE ET D'INVESTISSEMENTS (UNDERWRITERS) S.A.	COUNTY BANK	COUNTY BANK	COUNTY BANK
CREDIT COMMERCIAL DE FRANCE	CREDIT INDUSTRIEL D'ALSACE ET DE LORRAINE	CREDIT INDUSTRIEL D'ALSACE ET DE LORRAINE	CREDIT INDUSTRIEL D'ALSACE ET DE LORRAINE
CREDIT INDUSTRIEL ET COMMERCIAL	CREDIT LYONNAIS	CREDIT DU NORD	CREDIT SUISS WHITE WELD
CREDITANSTALT-BANKVEREIN	CREDITO ITALIANO	DAIWA EUROPE N.Y.	DELBRUCK & CO.
DEN DANSKE BANK	DEN NORSKE CREDITBANK	DEUTSCHE BANK	DEUTSCHE GIROCENTRALE
DEWAAL & ASSOCIATES INTERNATIONAL S.C.S.	DOMINION SECURITIES	DRESNER BANK	DRESNER BANK
EFFECTENBANK-WARBURG	EUROBILIARE S.A.	EUROPEAN BANKING COMPANY	EUROPEAN BANKING COMPANY
FINACOR	COMPAGNIA EUROPEA INTERMOBILIARE	EUROPEAN BANKING COMPANY	EUROPEAN BANKING COMPANY
GIROCENTRALE UND BANK DER OSTERREICHISCHEN SPARKASSE	GOLDMAN SACHS INTERNATIONAL CORP.	GOLDMAN SACHS INTERNATIONAL CORP.	GOLDMAN SACHS INTERNATIONAL CORP.
HAMBROS BANK	HENTSCH & CO INTERNATIONAL	HESSISCHE LANDESBANK	HESSISCHE LANDESBANK
HILL SAMUEL & CO.	E. F. HUTTON & CO. N.Y.	IBJ INTERNATIONAL	IBJ INTERNATIONAL
ISTITUTO BANCARIO SAN PAOLO DI TORINO	JARDINE FLEMING & COMPANY	JARDINE FLEMING & COMPANY	JARDINE FLEMING & COMPANY
KIDDER, PEABODY INTERNATIONAL	KJØBENHAVNS HANDELSBANK	KLEINWORT, BENSON	KLEINWORT, BENSON
KREDITBANK N.Y.	KREDITBANK S.A. LUXEMBOURGEOISE	KUHN, LOEB & CO. INTERNATIONAL	KUHN, LOEB & CO. INTERNATIONAL
KUWAIT FINANCIAL CENTRE (S.A.E.)	KUWAIT FOREIGN TRADING CONTRACTING & INVESTMENT CO. (S.A.E.)	KUWAIT FOREIGN TRADING CONTRACTING & INVESTMENT CO. (S.A.E.)	KUWAIT FOREIGN TRADING CONTRACTING & INVESTMENT CO. (S.A.E.)
KUWAIT INTERNATIONAL FINANCE COMPANY S.A.E. "KIFCO"	KUWAIT INTERNATIONAL INVESTMENT CO. S.A.E.	KUWAIT INTERNATIONAL INVESTMENT CO. S.A.E.	KUWAIT INTERNATIONAL INVESTMENT CO. S.A.E.
KUWAIT INVESTMENT COMPANY (S.A.E.)	EVANLANSCROT	LAZARD BROTHERS & CO.	LAZARD BROTHERS & CO.
LAZARD FRERES ET CIE	LEHMAN BROTHERS	LOYDS BANK INTERNATIONAL MANUFACTURERS HANOVER	LOYDS BANK INTERNATIONAL MANUFACTURERS HANOVER
MERRILL LYNCH INTERNATIONAL & CO.	E. METZLER SEEL, SOHN & CO.	MITSUBISHI BANK (EUROPE) S.A.	MITSUBISHI BANK (EUROPE) S.A.
SAMUEL MONTAGU & CO.	MORGAN GRENFELL & CO.	NEDERLANDSCHE MIDDENSTANDSBANK N.Y.	NEDERLANDSCHE MIDDENSTANDSBANK N.Y.
NEDERLANDSE CREDITBANK N.Y.	NEUE BANK	THE NIKKO SECURITIES CO. (EUROPE) LTD.	THE NIKKO SECURITIES CO. (EUROPE) LTD.
NOMURA EUROPE N.Y.	NORDDEUTSCHE LANDESBANK	SAL. OPPENHEIM JR. & CIE.	SAL. OPPENHEIM JR. & CIE.
ORION BANK	PETERBROECK, VAN CAMPENHOOT, KEMPEN S.A.	PICTET INTERNATIONAL	PICTET INTERNATIONAL
PIERSON, HELDRING & PIERSON N.Y.	PKBANKEN	PRIVATEBANKEN	N. M. ROTHSCHILD & SONS
ROWE & PITMAN, HURST-BROWN	S. LOMON BROTHERS INTERNATIONAL	J. HENRY SCHROEDER WAGG & CO.	J. HENRY SCHROEDER WAGG & CO.
SKANDINAVISKA ENSKILDA BANKEN	N. V. SLAVENBURG'S BANK	SMITH BARNEY, HARRIS UPHAM & CO.	SMITH BARNEY, HARRIS UPHAM & CO.
SOCIETE GENERALE	SOCIETE GENERALE DE BANQUE S.A.	SOGEN-SWISS INTERNATIONAL CORPORATION	SOGEN-SWISS INTERNATIONAL CORPORATION
STRAUSS, TURNBULL & CO.	SUMITOMO FINANCE INTERNATIONAL	SVENSKA HANDELSBANKEN	SVENSKA HANDELSBANKEN
SWISS BANK CORPORATION (OVERSEAS)	TRINKAUS & BURKHARDT	TRINKAUS & BURKHARDT	TRINKAUS & BURKHARDT
UNION BANK OF SWITZERLAND (SECURITIES)	UNITED OVERSEAS BANK S.A. GENEVA	UNITED OVERSEAS BANK S.A. GENEVA	UNITED OVERSEAS BANK S.A. GENEVA
VEREINS-UND WESTBANK	J. VONTOBEL & CO.	S. G. WARBURG & CO. LTD.	WARDLEY
WESTDEUTSCHE LANDESBANK	WOOD GUNDT	YAMAICHI INTERNATIONAL (EUROPE)	YAMAICHI INTERNATIONAL (EUROPE)

July 18, 1977.

FT SHARE INFORMATION SERVICE

Henry Boot Construction Limited Sheffield Tel: 0246-410111

BRITISH FUNDS

Table of British Funds including Short-Term (Lives up to Five Years) and Five to Fifteen Years categories.

INTERNATIONAL BANK

Table for International Bank with columns for Stock, Price, Div, and Yield.

CORPORATION BONDS

Table of Corporation Bonds with columns for Stock, Price, Div, and Yield.

COMMONWEALTH & FOREIGN

Table of Commonwealth & Foreign bonds with columns for Stock, Price, Div, and Yield.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Stock, Price, Div, and Yield.

AMERICANS

Large table of American stocks with columns for Stock, Price, Div, and Yield.

CANADIANS

Table of Canadian stocks with columns for Stock, Price, Div, and Yield.

RANGES AND BERE PURCHASE

Table of Ranges and Bere Purchase with columns for Stock, Price, Div, and Yield.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits with columns for Stock, Price, Div, and Yield.

CINEMAS, THEATRES AND TV

Table of Cinemas, Theatres and TV with columns for Stock, Price, Div, and Yield.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads with columns for Stock, Price, Div, and Yield.

BUILDING INDUSTRY - Continued

Continuation of Building Industry table.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics with columns for Stock, Price, Div, and Yield.

HIRE PURCHASE, etc.

Table of Hire Purchase, etc. with columns for Stock, Price, Div, and Yield.

DRAPERY AND STORES - Continued

Continuation of Drapery and Stores table.

ELECTRICAL AND RADIO

Table of Electrical and Radio with columns for Stock, Price, Div, and Yield.

ENGINEERING, MACHINE TOOLS

Table of Engineering, Machine Tools with columns for Stock, Price, Div, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores with columns for Stock, Price, Div, and Yield.

ENGINEERING - Continued

Continuation of Engineering table.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, Etc. with columns for Stock, Price, Div, and Yield.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for Stock, Price, Div, and Yield.

INDUSTRIALS (Miscel.)

Table of Industrials (Miscellaneous) with columns for Stock, Price, Div, and Yield.

Large table of Industrials (Miscellaneous) with columns for Stock, Price, Div, and Yield.

Conversion factor 0.2140 (0.7138)

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INDUSTRIALS—Continued

Table of industrial stocks including companies like ICI, BP, and Shell, with columns for price, dividend, and other financial metrics.

MOTORS, AIRCRAFT TRADES

Table listing companies in the motor and aircraft sectors, such as Rover and British Leyland, with associated financial data.

PROPERTY—Continued

Table detailing property-related investments and companies, including various real estate and construction firms.

TRUSTS—Continued

Table listing various trusts and investment vehicles, with columns for price and other financial indicators.

TRUSTS—Continued

Continuation of the trusts table, listing additional trust entities and their financial details.

Advertisement for SANWA BANK, Tokyo, Japan, featuring the slogan 'Serving the world with financial expertise'.

MINES—Continued

Table of mine stocks, including companies like Anglo American and De Beers, with price and dividend information.

OVERSEAS TRADERS

Table listing international trading companies and their financial performance.

TEAS

Table detailing tea-related investments and companies, including various tea estates.

MINES

Table listing additional mine stocks and their market data.

REGIONAL MARKETS

Table showing regional market indices and stock prices for various geographical areas.

OPTIONS

Table listing options contracts and their corresponding call rates.

Notes and footnotes at the bottom of the page, providing additional information and disclaimers regarding the data presented.

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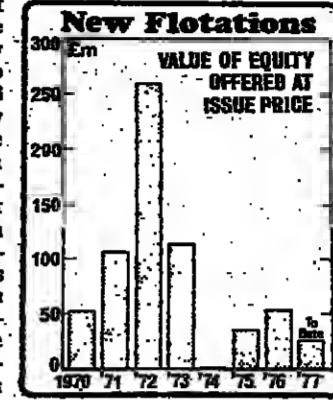
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Mixed blessings of a quote



The Sothby Parke Bernet and LASMO issues cannot have encouraged any but quality companies to dust off flotation plans. The auctioneers, 28 times oversubscribed, now stand 81 per cent over the issue price. The North Sea oil group, ten times oversubscribed, is 11 per cent up. That is a lot healthier picture than last July's, when a curious concentration of the NatWest rights issue, and offers for sale from Hambro Life, Molins and Borthwick left nine-tenths of the last two offers with the underwriters. No such hunching is likely to be allowed again. But the criteria for any new issues remain strict.

Profits requirement

The size requirement has raced ahead of many of those companies which missed the 1972-73 queue. Around £1m pre-tax is the minimum profit requirement talked of by the former issue specialists, preferably £2m in a manufacturing group. And a decent profits progression despite recession cuts the field further.

But most of the surviving candidates have dropped out anyway. The disincentives are publicity, probably outweighing the kudos of chairing a public group in most eyes; costs — largely non-tax deductible — which have accelerated to around 10 per cent of cash raised; and most of all price. Selling 40 per cent of a business on a prospective p/e of 5 or less looks like either theft or a highly expensive (with the dividend requirement of a public group to be anticipated) way to raise capital.

hection, and the Council would be hard-pressed to suggest some new lure lying between Section 183 dealing and a full float.

But still left in the ring are the generally expansionary groups which need to use paper for acquisitions (as Borthwick's, with the price above the issue level, has been trying to do); and the trading, and borrowing, muscle added by quoted status will also remain for groups with an already wide, possibly institutional shareholding, even if they have to settle (along with Willis Faber) for an introduction rather than an offer.

A further trickle of new issues this year is likely, and any sustained market rise, plus continuation of Capital Transfer Tax, would flush out more offers. But for the moment the balancing wish to go private, not restricted to special cases like Williams Hudson, will continue.

Going private

Providing finance for small quoted companies wishing to revert to unlisted status is, in fact, a minor growth area at present, and is providing an unexpectedly high level of inquiries for financial organisations operating in the small company sector. Thus Finance for Industry is regularly approached on this tack, and last month's annual report of Electra Investment Trust expected opportunities of this kind to arise over the next year or two. If the accountants' suggestions that companies should be reclassified as "public limited" and "proprietary" gain any momentum, further incentives for delisting could be discerned by small companies. But amid all the fashionable concentration on unquoted companies a word of warning product mix.

institutions: beware of merchant banks clearing out stale venture capital portfolios.

Reyrolle/Clarke

The apparent victory by Reyrolle Parsons over GEC in the struggle for the Drax B turbogenerator contract serves to highlight the curious timing of the group's proposal to merge with Clarke Chapman on a 50-50 basis, a deal announced on June 24. Although one order not going to transform Reyrolle's financial prospects, must have sufficient impact to call for a reappraisal of the underlying arithmetic. And will tend to confirm shareholders' suspicions that the merger had its inspiration in North-Eastern politics rather than in any financial or commercial logic.

So far, institutional reaction to the merger proposals have been fairly low key, though M and G sold Im. Clarke Chapman shares early on. Most shareholders are prepared to wait until the full arguments are set forth in the formal document, which the merchant banks have been aiming to put out some time in the middle of August. Clearly this will be set to go into a great deal of detail about the assets and earnings of the different parts of the two groups, in contrast to the recent Reyrolle annual reports which lumped all operations together as being "one-class" or "switchover and transformer side". Apart from the highly delicate political background to the merger, the odddest feature has been that two sets of advisers should believe that a 50-50 basis is fair when Reyrolle's latest profits were £15.8m, pre-tax (said to be sustainable in the short run) against £8.1m for Clarke Chapman. Reyrolle's 50% swingover and transformer side is highly profitable at the moment, and the shares were being heavily bought in the early part of this year in the expectation of something better than a defensive deal with GEC.

From the latter's point of view the merger — assuming the C. A. Parsons will now state indefinitely within the group — will expose it to the still highly uncertain long term prospects of the turbine generator business. However, the June 24 statement, with its talk of "wide diversity" and "complementary fields" was sufficient vague to embrace almost any product mix.

Editorial Comment Page 10

Palestinian groups clash again

BY IHSAN HIJAZI

RIVAL PALESTINIAN guerrilla groups fought with machine-guns and grenades for 11 hours today in refugee camps south-west of Beirut. The sound of explosions and the clatter of automatic weapons echoed through the city as Syrian-backed Salqa guerrillas clashed with members of the radical Iraqi-backed "Rejection Front".

The number of casualties from the fighting, which mostly took place in the main Sabra camp, was not known precisely to-night but Lebanese security sources said that 12 guerrillas may have been killed and 20 wounded. It is thought that several civilians may also have been wounded.

The fighting comes as Syrian-initiated talks between the Lebanese and the main Palestinian umbrella organisation, the Palestine Liberation Organisation (PLO), are taking place to relax tension and stop the fighting in South Lebanon.

Spasmodic fighting between Christian Right-wing forces, allegedly supported by the Israelis, and Palestinian groups has been going on there since last year. The PLO high command under Mr. Yasser Arafat was meeting in emergency session to-night.

Residents of areas surrounding the Sabra camp were to-day reliving the familiar scenario of picking up a few belongings

and fleeing to safer areas, as shells and mortar bombs fell on areas outside the camp which has a population of 25,000. Syrian troops of the Arab League peace-keeping force were mobilised to keep the clashes from spilling outside. They also guarded the road to the airport, not far from the scene of the fighting, which, however, remained open. Traffic to and from it was diverted to alternative roads.

The fresh burst of inter-guerrilla fighting, which observers have been predicting, came only 24 hours after Mr. Zuhair Mohsin the Salqa leader. He had threatened that Syrian troops would storm the camp if

the "Rejectionists" continued to provoke his organisation. Usually reliable sources see the clashes in the context of the friction between Syria and Iraq. This has gained momentum recently following allegations by Damascus, that the Baghdad regime is behind the wave of terror in Syria, including explosions in Damascus last week.

Last night, Mr. Ahmed Hassan al Bakr, the Iraqi President, emphasised that his Government would continue its policy of "resolute struggle" and would maintain its support for the "rejectionists". The "rejectionists" are strongly opposed to a peace settlement with Israel. President

Bakr, who spoke in a national address marking the anniversary of the 1958 revolution which overthrew and killed the king, strongly condemned Arab regimes seeking a peaceful solution of the conflict with Israel. Syria has been active in trying to arrange a ceasefire and relaxation of tensions and pave the way for a "national detente" between Christians and Moslems.

Mr. Fuad Butros, the Lebanese Foreign Minister, returned home last night from Syria after two days of talks with leaders there, including President Hafez Assad. He expressed optimism that positive moves will soon be announced to end the tensions near the border area with Israel.

Committee to examine share deals

By Keith Lewis, City Staff

THE STOCK Exchange has set up a committee to investigate dealings in shares of at least eight companies where it is considered there has been unusual price activity.

The companies in question are: B.P.M., Swan Ryan, Consolidated Plantations warrants, Knott Mills, U.U. Textiles, Wearwell, Amalgamated Distilled Products and Eckenhall Trust, though none companies may emerge as the investigation progresses.

The inquiry comes at a time when the City, and the Stock Exchange in particular, is at great pains to stamp out abuses in the system, such as price-rigging and insider trading.

Under particularly close scrutiny is the market practice of arranging "put throughs". This is where two parties agree on a price at which one will sell a lot of shares to the other and a stockbroker then sees that the stock passes through the books of a willing jobber who takes a commission.

The abuse is understood to arise where buying or selling pressure, usually in an unmarketable share, creates an artificial price before the "put through" is done.

Creating a false market in this way, which is against the rules of the Stock Exchange, is not new. All bargains transacted on a "put through" basis have to be marked as such in the Stock Exchange Official List with a symbol and footnote which explains that the deal was done at a special price.

No time limit has been set for the inquiry, which began about two weeks ago, though it is likely that good managers as well as stockbrokers and jobbers will be involved.

Chrysler revives Sunbeam name for State-backed new hatchback

BY TERRY DODSWORTH AND ARTHUR SMITH

CHRYSLER U.K.'s bid to fight back to profitability takes a big step towards success with the unveiling of a small three-door hatchback model. This is the first of the promised new range to be developed with the help of Government funds.

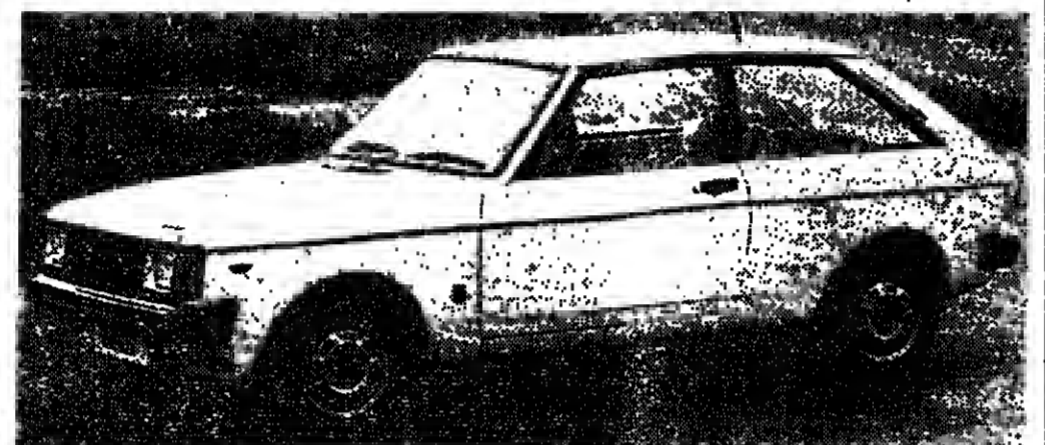
The new car, which revives the Sunbeam name, goes into production at the Linwood plant in Scotland after the summer break next month, and is due on the market in October.

The launch takes place against a background of continuing losses in the Government-backed company. Figures are expected within the next few weeks showing a deficit of about £4m, for the second quarter of this year.

The loss, which follows the £2.2m deficit for the first three months in the next stage of the Government-backed company, figures are expected within the next few weeks showing a deficit of about £4m, for the second quarter of this year.

The launch is clearly pinning a lot of its hopes for success on the Sunbeam. The car, 12 foot 8 inches long, is designed to compete in the market for small family vehicles. This probably accounts for over 30 per cent of all sales in Western Europe.

Although this sector is already well covered by domestic models such as the Ford Escort, Leyland Allegro and Vauxhall's Chevette an importer like the Volkswagen Golf and Renault 14, the history



The Sunbeam, a three-door hatchback, goes on the market to October, with a choice of three engines.

of the past few years has shown that there is a considerable demand for vehicles with the hatchback configuration. Chrysler clearly intends that this will give the Sunbeam a different market appeal to the Avenger, which is only about one foot longer.

Three engine options are being offered: a 930 c.c. light alloy unit derived from the Imp engine, and 1300 and 1600 c.c. units used in the current Avenger. The rear seat can be folded flat in two halves so that the car can take a rear passenger while half the seat is converted to storage space.

The launch is about 6 months later than originally envisaged by the Government plan for

Chrysler's rescue. Nevertheless the car has been produced very swiftly, only 18 months after the rescue, although there was design work in hand before the Government's intervention.

Sales down

The most recent sales figures show that Chrysler has a serious need for the stimulus which new model gives. Against a target for an 8.1 per cent market share this year, the group has achieved only 5.9 per cent at the half-way stage. Its sales in this period, are down more than 5,000 cars last year at 40,000 cars.

While this period Alpine sales have gained but the Imp which is discontinued — the

Huiler — which has been transferred to Ireland — and even the Avenger — its best selling model, which has not been produced in quantities planned since its transfer from Coventry to Linwood — have all slipped.

Hopes of Chrysler reaching its target for the year now rest on improving Avenger output — currently running at about 2,000 vehicles a week, but planned to go up to 2,700 — and the Sunbeam, which should show 1,055 units a week when output starts.

Although Chrysler is not yet revealed figures, it is likely that the new Sunbeam will have cost more than £50m to design and develop.

Liberals may insist on 'break' clause in pact with Labour

BY RICHARD EVANS, LOBBY EDITOR

FOLLOWING THE Government's failure to secure a firm agreement with the trade unions on pay policy, Liberal MPs are now expected to insist on a "break" clause in the next stage of the Lib/Lab pact sustaining Mr. Callaghan's minority administration in office.

Both the Prime Minister and Mr. David Steel, the Liberal leader, would have preferred to see the pact renewed for a full session to give maximum stability to Mr. Callaghan's counter-inflation policies.

But there is now believed to be a majority of the 13 Liberal MPs who would be unwilling to commit the party to such a lengthy agreement because of the danger of a pay explosion.

One Liberal MP in favour of extending the pact said last night that if there were pay agreements in the private sector next year of around 20 per cent, it would be impossible for the Liberals to sustain the Government and they would have no alternative but to withdraw from the pact.

Party tactics will be discussed at a meeting at Westminster on Wednesday before further negotiations between Mr.

Callaghan and Mr. Steel on the next phase. But because of the uncertainties caused by the Government's rethink on pay policy there is now little prospect of a conclusion to the talks by the summer recess which starts on July 29.

There have already been some discussions in the party on how a break clause could be inserted but no decisions have yet been taken. The most likely outcome is a formula that would continue the pact until the Government had clearly lost control over the level of wage settlements.

During the negotiations Mr. Steel and Mr. John Pardoe, economic spokesman, will fully back Ministers' determination to ensure moderate settlements in the public sector by the use of rigid cash limits. They will also call for the active use of prices legislation and public purchasing policy to prevent inflationary settlements in private industry.

Mr. Reg Prentice, Labour MP for Newham NE, called on Liberals yesterday to continue their pact with the Government on a month-by-month basis. He also warned that he would withdraw his own support from the Government if Ministers failed

to stand up to excessive wage demands.

The considered reaction of Liberals to the Chancellor's economic statement will come to-night when the MPs meet to decide tactics for Wednesday's Commons debate on counter-inflation policy.

As the party is already committed to sustaining the Government for the remainder of the session, Ministers are confident of securing a comfortable majority in what should be the last major Parliamentary test before the autumn.

Ministers have not yet decided whether to table a motion calling for approval of Mr. Healey's statement, in which case the debate will become one of confidence.

The Shadow Cabinet also meets tonight to decide tactics. Mr. Callaghan and Mr. Thatcher are expected to open the debate and Sir Geoffrey Howe, Shadow Chancellor, and Mr. Healey will wind up.

Mr. Thatcher has the difficult task of moving the Government's policies and the prospects for the economy in the knowledge that the Government is likely to gain a comfortable majority at the end of the evening.

Continued from Page 1 Ryder

Mr. Robert Billingsley — who recently left as executive of Reed Ltd. in Canada and as a Reed International director — had in December 1974 asked if Canadian Forest would be willing to make a retirement gift of £100,000 to Lord Ryder.

Mr. Longstaff reportedly claimed that on being told that it was not willing, Mr. Billingsley had asked if Canadian Forest would make a payment of £100,000 to Lord Ryder on the express understanding that it would be repaid by Reed — and that this was agreed to and done.

Mr. Longstaff said that the payment was made by an offshore company.

Mr. Longstaff told the Financial Times last night: CFP was not prepared to identify the offshore company mentioned in the statement. "All we did was make arrangements for the offshore company to make the payment so that it could be reflected as a loan in their accounts. There was no CFP money used. There were no payments from CFP's treasury. There was no money in and there was no money out."

Lord Ryder said last night: "When I resigned from Reed International, I cleared all my directorships and I resigned from this large family company, Canadian Forest Products where I had been a director for 11 years. They were most grateful. I drew no directors' fees or expenses at that company — and I was informed they wanted — the family wanted — to make me a retirement gift."

"I immediately said it would have to be dealt with through my accountant, who dealt with all the formalities."

"As soon as I was told last night that I had no legal obligation to do so — on repaying the sum."

As to the way in which Mr. Longstaff is reported to have said that the matter arose, Lord Ryder said: "I have no knowledge of the conversation reported to have taken place between Mr. Longstaff and Mr. Billingsley."

Referring again to the events preceding the payment, in 1975, Lord Ryder added: "I was simply told the family — of course, that's really the same thing as the company — wanted to make the gift. The money came straight in this country and was converted at the official rate."

Reed International is joint owned with Canadian Forest, of Prince George Pulp and Paper and hot companies are shareholders in another Canadian concern, Intercontinental Pulp.

Dutch leader decision needed

BY MICHAEL VAN OS

AMSTERDAM, July 17.

QUEEN JULIANA, faced with conflicting advice, will have to make a key decision, probably this week, on how to break the Dutch political stalemate caused by the collapse last Friday of attempts to form a new left-centre coalition Government.

It will be a very difficult decision, constitutionally as well as politically, because the leaders of the four main political parties yesterday gave her differing advice on her best course of action.

The problem arose after seven-week-long negotiations between the two largest Dutch parties, the Labour party and the Christian Democrats collapsed when the Socialists refused to allow one of their more radical social reform proposals to be watered down. The two parties make up the current caretaker coalition cabinet.

The two parties, of which Labour is the slightly larger and account for 102 of the 150 seats in Parliament as the result of the May General Elections.

The collapse of the talks led by outgoing Premier Mr. Joop den Uyl, whose Labour Party was the victor in the May elections, gives the Queen only two real options.

Her first option would be to appoint one or more political leaders to try and sort out the many remaining differences between the Socialists and the Christian Democrats. Alternatively she could appoint a new "formateur" to explore the possibility of a Christian Democrat-Liberal VVD pact. However, although the two do not stand very far apart politically, such a combination can hardly command a workable Parliamentary majority (77 seats) particularly in view

of the substantial size of the left-wing of the Christian Democrats.

The feeling among political circles in the Hague continues to be that whatever is decided, the Christian Democrats would eventually be forced again to re-open talks with the Labour party.

However, substantial concessions will be required on a range of issues, including social reforms, to get a new coalition off the ground, a process that could take a few months yet.

The outgoing caretaker took nearly six months to get off the ground.

The immediate reason for the collapse of last week's negotiations was the failure to reach agreement on the Labour Party's proposal for an excess profits sharing system, through which workers could gradually build up a stake in company equity.

Weather

U.K. TO-DAY
GENERALLY cool with outbreaks of rain.
London, S.E. Cent. S. and S.W. England, E. Anglia, Channel Is. Rather cloudy, some outbreaks of rain, brighter later. Wind W. fresh or strong. Max. 18C (64F). Midlands, E. N.E. and Cent. N. Engla. some showers developing. Wind W. fresh or strong. Max. 19C (66F).
N. Wales, N.W. England, Lake District, Isle of Man, S.W. Scotland, Glasgow, Argyll, N. Ireland, locally heavy. Wind W. fresh or strong. Max. 17C (63F).
Borders, Edinburgh and Dundee, Aberdeen, C. Highlands, Moray Firth
Mainly showery, some sunny intervals. Wind variable. Max. 18C (66F).
N.W. Scotland
Showers or longer periods of rain. Wind variable. Max. 15C (59F).
N.E. Scotland, Orkney, Shetland
Rain at times, locally heavy. Wind E. moderate. Max. 14C (57F).
Outlook: Showers or longer periods of rain in most places with sunny intervals.

BUSINESS CENTRES		
	Yesterday	Today
Amst'dm.	C 19 66	Madrid 18 65
Algeria	F 21 68	Manila 18 65
Bahia	S 22 72	Melbourne 18 65
Bombay	S 24 75	Nairobi 18 65
Buenos Aires	S 24 75	Paris 18 65
Calcutta	S 24 75	Rangoon 18 65
Canton	S 24 75	Singapore 18 65
Cebu	S 24 75	Tokyo 18 65
Hankow	S 24 75	Yokohama 18 65
Hong Kong	S 24 75	
London	S 24 75	
Lyons	S 24 75	
Manila	S 24 75	
Medan	S 24 75	
Mumbai	S 24 75	
Perth	S 24 75	
Rangoon	S 24 75	
Singapore	S 24 75	
Tokyo	S 24 75	
Yokohama	S 24 75	

HOLIDAY REPORTS		
	Today	Tomorrow
Abasco	S 26 78	Jersey 18 65
Algeria	S 26 78	London 18 65
Bahia	S 26 78	Luxemburg 18 65
Bombay	S 26 78	Madrid 18 65
Buenos Aires	S 26 78	Manila 18 65
Calcutta	S 26 78	Melbourne 18 65
Canton	S 26 78	Nairobi 18 65
Cebu	S 26 78	Paris 18 65
Hankow	S 26 78	Rangoon 18 65
Hong Kong	S 26 78	Singapore 18 65
London	S 26 78	Tokyo 18 65
Lyons	S 26 78	Yokohama 18 65
Manila	S 26 78	
Medan	S 26 78	
Mumbai	S 26 78	
Perth	S 26 78	
Rangoon	S 26 78	
Singapore	S 26 78	
Tokyo	S 26 78	
Yokohama	S 26 78	

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John 5/20